

INPEX Holdings Inc.

**Financial Results
for the six months ended September 30, 2006**

**Tokyo
November 16, 2006**

Agenda

1. Financial Results for the six months ended September 30, 2006

Mutsuhisa Fujii, Director, INPEX Holdings

2. Corporate Activities Updates

Naoki Kuroda, Representative director and President, INPEX Holdings
Masatoshi Sugioka, Representative director, INPEX Holdings

Cautionary Statement

This presentation includes forward-looking information that reflects the plan and expectations of the Company. Such forward-looking information is based on the current assumptions and judgments of the Company in light of the information currently available to it, and involves known and unknown risk, uncertainties, and other factors. Such risks, uncertainties and other factors may cause the Company's performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include, without limitation:

- Price volatility and change in demand in crude oil and natural gas
- Foreign exchange rate volatility
- Change in costs and other expenses pertaining to the exploration, development and production

The Company undertakes no obligation to publicly update or revise the disclosure of information in this presentation (including forward-looking information) after the date of this presentation

Subsidiaries and Affiliates

57 consolidated subsidiaries

Major subsidiaries	Country/region	Ownership	Stage
INPEX	Indonesia	100%	Production
Teikoku Oil	Japan	100%	Production
INPEX Natuna	Indonesia	100%	Production
INPEX Sahul	Timor Sea Joint Petroleum Development Area	100%	Production
INPEX Browse	Australia	100%	Under discussion for development
JODCO	UAE	100%	Production
Teikoku Oil (D.R. Congo)	D.R. Congo	100%	Production
INPEX Southwest Caspian Sea	Azerbaijan	51%	Production
INPEX North Caspian Sea	Kazakhstan	45%	Development

13 equity method affiliates

Major affiliates	Country/region	Ownership	Stage
MI Berau B.V.	Indonesia	44%	Development
Angola Japan Oil	Angola	19.6%	Production

Highlights of the Consolidated Financial Results for the six months ended September 30, 2006

(Billions of yen)

Net Sales	500.8
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Operating Income	298.4
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Ordinary Income	294.0
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Net Income	64.6
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Net Income per share	¥27,647.74
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Average number of shares issued and outstanding during the six months ended
September 30, 2006(consolidated): 2,339,237 shares

(Billions of yen)

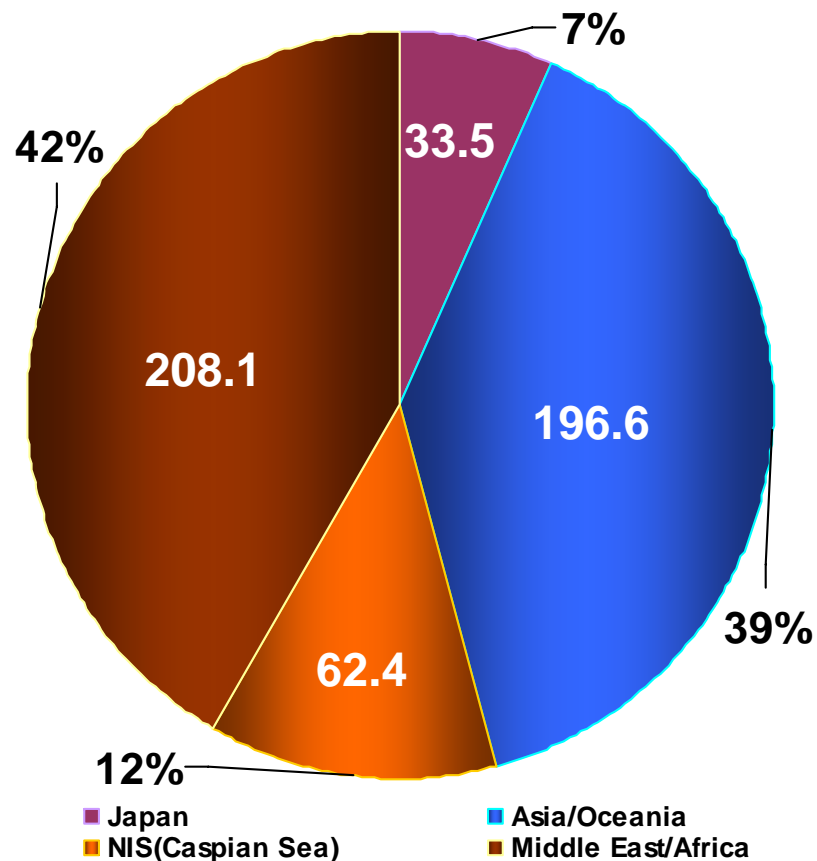
Total assets	1530.9
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Net assets per share	¥383,912.77
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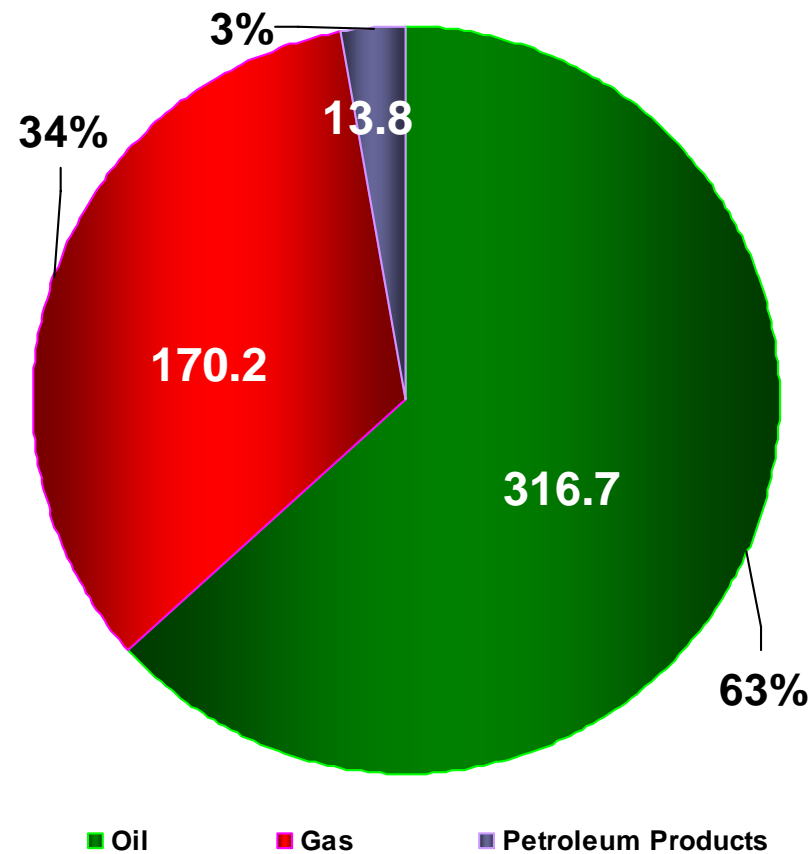
Number of shares issued and outstanding as of September 30, 2006(consolidated): 2,346,637 shares

Net Sales (by Region, by Products)

by Region (Billions of yen)



by Products (Billions of yen)



	Overseas Oil	Overseas Gas	Domestic Gas
Sales Volume	41,016 Mbb1	159,931 MMcf	530 MMm ³
Aver. sales price	\$66.56/bbl	\$7.98/Mcf	¥34.48/m ³

INPEX Holdings

Statements of Income

(Billions of yen)

Apr.-Sep. '06

Net Sales	500.8	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">INPEX(consolidated) :</td> <td style="text-align: right;">457.7</td> </tr> <tr> <td>Teikoku Oil(consolidated) :</td> <td style="text-align: right;">53.4</td> </tr> <tr> <td>Adjustment of the oil stock terminal business:</td> <td style="text-align: right;">(10.3)</td> </tr> <tr> <td>Total:</td> <td style="text-align: right;">500.8</td> </tr> </table>	INPEX(consolidated) :	457.7	Teikoku Oil(consolidated) :	53.4	Adjustment of the oil stock terminal business:	(10.3)	Total:	500.8
INPEX(consolidated) :	457.7									
Teikoku Oil(consolidated) :	53.4									
Adjustment of the oil stock terminal business:	(10.3)									
Total:	500.8									
Cost of Sales	170.3									
Exploration expenses	9.3									
Selling, general and administrative expenses	22.6									
Operating Income	298.4	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">INPEX(consolidated) :</td> <td style="text-align: right;">285.7</td> </tr> <tr> <td>Teikoku Oil(consolidated) :</td> <td style="text-align: right;">13.6</td> </tr> <tr> <td>Amortization of goodwill:</td> <td style="text-align: right;">(3.5)</td> </tr> <tr> <td>Total (including others not listed above):</td> <td style="text-align: right;">294.0</td> </tr> </table>	INPEX(consolidated) :	285.7	Teikoku Oil(consolidated) :	13.6	Amortization of goodwill:	(3.5)	Total (including others not listed above):	294.0
INPEX(consolidated) :	285.7									
Teikoku Oil(consolidated) :	13.6									
Amortization of goodwill:	(3.5)									
Total (including others not listed above):	294.0									
Other income	11.8									
Other expenses	16.3									
Ordinary Income	294.0									
Income taxes	223.5	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">INPEX(consolidated) :</td> <td style="text-align: right;">65.1</td> </tr> <tr> <td>Teikoku Oil(consolidated) :</td> <td style="text-align: right;">4.8</td> </tr> <tr> <td>Amortization of goodwill:</td> <td style="text-align: right;">(3.5)</td> </tr> <tr> <td>Total (including others not listed above):</td> <td style="text-align: right;">64.6</td> </tr> </table>	INPEX(consolidated) :	65.1	Teikoku Oil(consolidated) :	4.8	Amortization of goodwill:	(3.5)	Total (including others not listed above):	64.6
INPEX(consolidated) :	65.1									
Teikoku Oil(consolidated) :	4.8									
Amortization of goodwill:	(3.5)									
Total (including others not listed above):	64.6									
Minority interests	5.8									
Net Income	64.6									

INPEX CORPORATION

Crude Oil Sales

	Apr.-Sep. '05	Apr.-Sep. '06	Change	%change
Crude oil sales* (Billions of yen)	196.5	306.9	110.3	56.2%

Crude oil sales volume (Mbbbl)	33,156	39,617	6,461	19.5%
Average sales price (\$/bbl)	54.00	66.83	12.83	23.8%
Average exchange rate (¥/\$)	109.59	115.45	5.86	5.4%

*Includes domestic supply obligations with Indonesia

Sales volume increased by 19.5% over the corresponding period of previous year mainly from increase in production at ACG Oil Fields (INPEX Southwest Caspian Sea) and ADMA Block (JODCO)

Teikoku Oil Crude Oil Sales

	Apr.-Sep. '05*	Apr.-Sep. '06	Change	%change
Crude oil sales (Billions of yen)	9.8	9.8	-	-
Overseas crude oil sales volume (Mbbbl)	2,024	1,399	(625)	(30.9%)
Average sales price (\$/bbl)	43.80	58.94	15.14	34.6%
Average exchange rate (¥/\$)	109.35	115.40	6.05	5.5%
Domestic crude oil sales volume (Mkl)	4.3	5.9	1.6	38.4%
Average sales price (¥/kl)	32,404	48,420	16,016	49.4%

*Venezuela projects : No sales adding up / Establishing new JV for alteration of the existing agreements (Oil JV will be consolidated under the equity method)

*The amount is reference numerical value that deducted 1st Quarter (Jan-Mar) in 2005 from 3rd Quarter (Jan-Sep) in 2005.

INPEX CORPORATION

Natural Gas Sales

	Apr.-Sep. '05	Apr.-Sep. '06	Change	%change
Natural gas sales * (Billions of yen)	114.0	150.8	36.7	32.2%

Natural gas sales volume (MMcf)	144,654	159,931	15,277	10.6%
Average sales price (\$/Mcf)	6.81	7.98	1.17	17.2%
Average exchange rate (¥/\$)	109.69	115.43	5.74	5.2%

*Includes LPG

Natural gas sales volume increased by 10.6% over the corresponding period of previous year from increase in supply volume to the Bongtang LNG Plants from offshore Mahakam and it has started gas production for Bayu-Undan LNG (INPEX Sahul)

Teikoku Oil Natural Gas Sales

	Apr.-Sep. '05*	Apr.-Sep. '06	Change	%change
Natural gas sales** (Billions of yen)	16.9	19.6	2.7	16.0%
Overseas Natural gas sales volume (MMcf)	12,831	-	(12,831)	-
Average sales price (\$/Mcf)	0.73	-	-	-
Average exchange rate (¥/\$)	109.33	-	-	-
Domestic Natural gas sales volume (MMNm ³)	427	530	103	24.1%
Average sales price (¥/Nm ³)	34.81	34.48	(0.33)	(0.9%)
Domestic LPG sales volume (Mt)	10.6	9.1	(1.5)	(14.2%)
Average sales price (¥/kg)	94.85	146.82	51.97	54.8%

- Venezuela projects : No sales adding up / Establishing new JV for alteration of the existing agreements
- Domestic gas sales volume : Expansion to industrial users

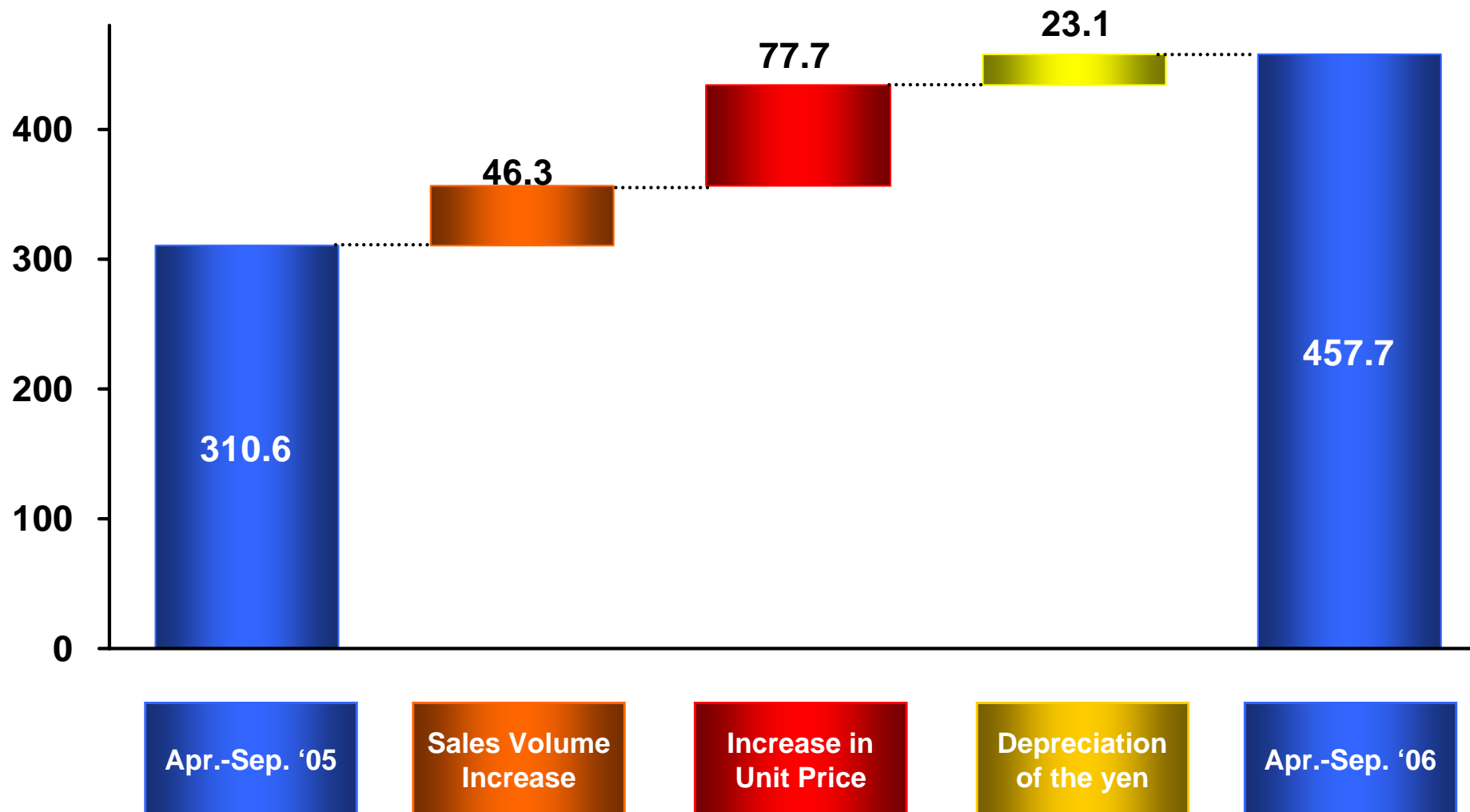
*The amount is reference numerical value that deducted 1st Quarter (Jan-Mar) in 2005 from 3rd Quarter (Jan-Sep) in 2005.

**Includes LPG

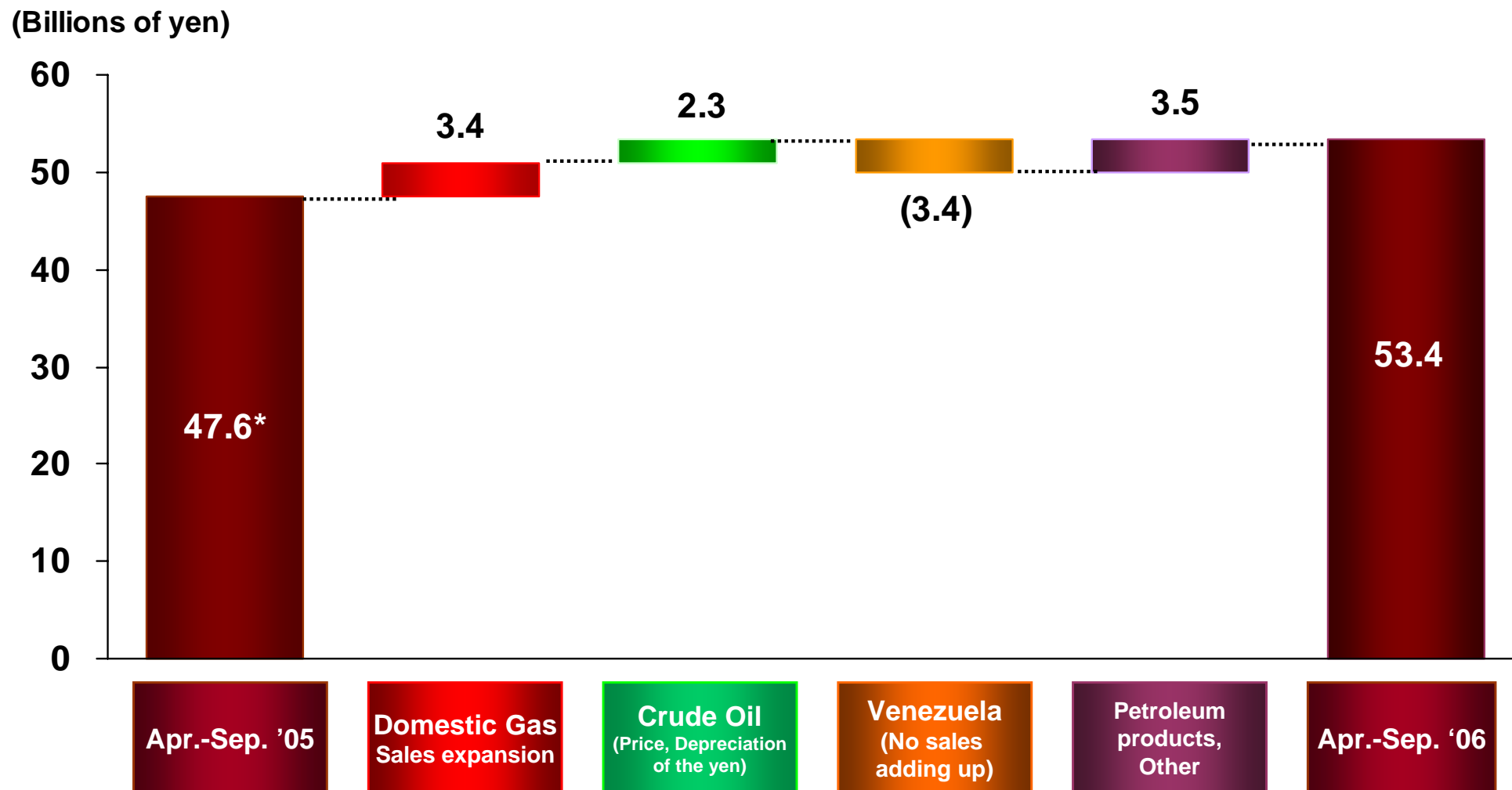
INPEX CORPORATION

Analysis of Net Sales Increase

(Billions of yen)



Teikoku Oil Analysis of Net Sales Increase



*The amount is reference numerical value that deducted 1st Quarter (Jan-Mar) in 2005 from 3rd Quarter (Jan-Sep) in 2005.

INPEX Holdings Balance Sheets

(Billions of yen)	Sep. 30, 2006
Current assets	437.7
Tangible fixed assets	214.1
Intangible assets	271.6
Recoverable accounts under production sharing	308.4
Other investments	346.5
Less allowance for recoverable accounts under production sharing	(47.6)
Total assets	1,530.9
Current liabilities	259.4
Long-term liabilities	323.5
Total net assets	947.9
(Minority interests)	47.0
Total liabilities and net assets	1,530.9

INPEX Holdings

Statements of Cash Flows

(Billions of yen)	Apr.-Sep. '06
Income before income taxes and minority interests	294.0
Depreciation and amortization	12.5
Recovery of recoverable accounts under production sharing (capital expenditures)	55.8
Recoverable accounts under production sharing (operating expenditures)	(13.6)
Income taxes paid	(206.8)
Other	9.4
Net cash provided by operating activities	151.4
Purchase of tangible fixed assets	(17.5)
Purchases of investment securities	(47.2)
Investment in recoverable accounts under production sharing (capital expenditures)	(55.6)
Other	43.1
Net cash used in investing activities	(77.2)
Net cash provided by financing activities	8.8
Cash and cash equivalents at end of the period	235.3

INPEX Holdings

Consolidated Financial Forecasts for the year ending March 31, 2007

Assumptions (Sep. 15, 2006)	1Q Actual	2Q Actual	2nd Half*
Brent crude oil price (\$/bbl)	70.4	70.6	57.5
Exchange rate(yen/US\$)	114.52	115.45	110.0

*no change for 2nd half assumptions

Consolidated (Billions of yen)	Previous Forecasts (Aug.9, 2006)	Revised Forecasts (Sep.15, 2006)	Fluctuation	Ratio
Net Sales	918	951	33	3.6%
Operating Income	526	544	18	3.4%
Ordinary Income	521	541	20	3.8%
Net Income	118	124	6	5.1%

Non-consolidated (Billions of yen)

Operational Revenue	30.0	32.5	2.5	8.3%
Ordinary Income	27.5	30.0	2.5	9.1%
Net Income	27.5	30.0	2.5	9.1%

Annual Dividend per share	¥6,250	¥6,250	—	—
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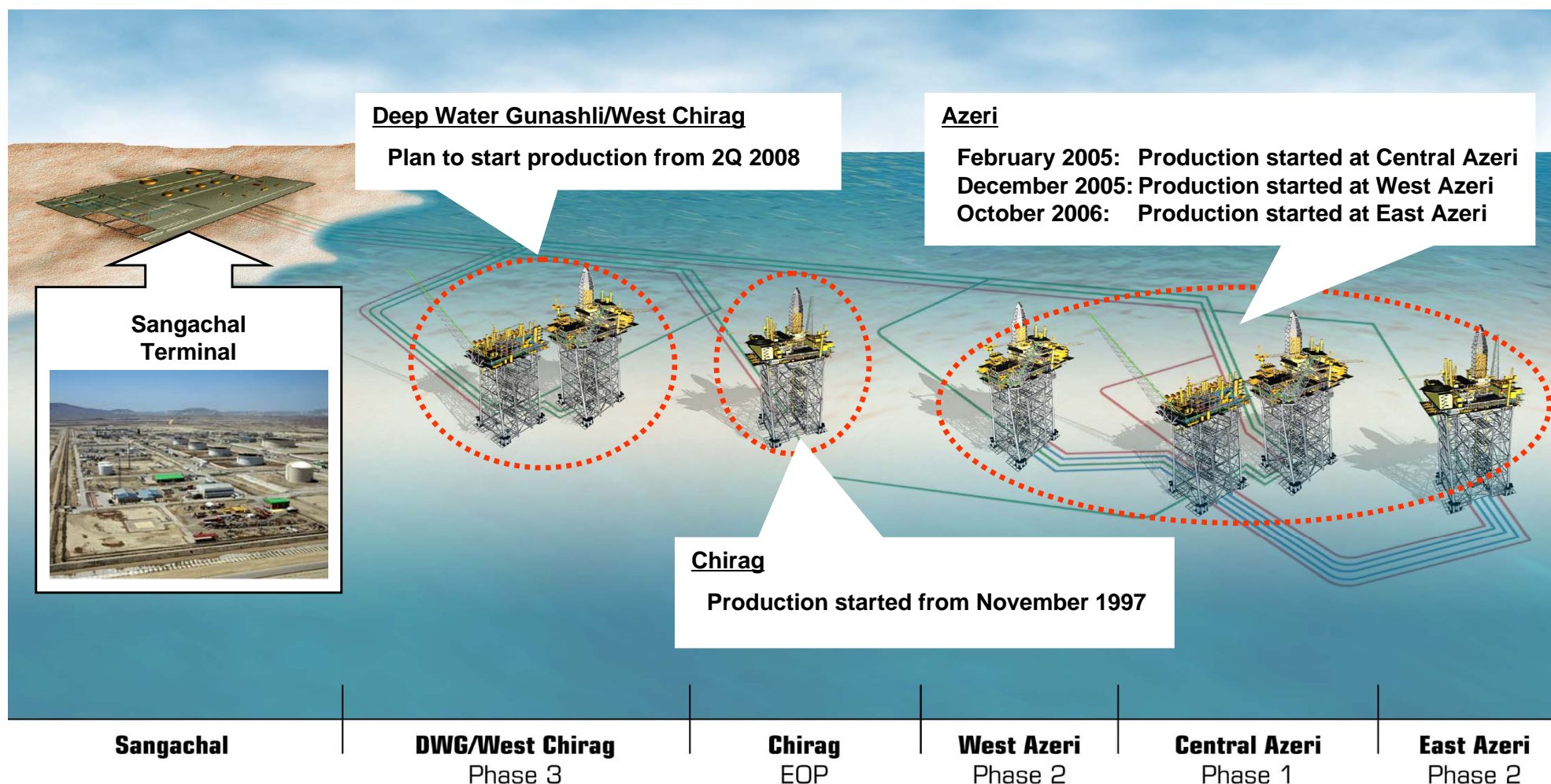
Corporate Activities Updates

Progress of business integration

- Transition to an operating holding company through a merger of the INPEX holdings with INPEX CORPORATION and Teikoku Oil is planned in October 2008
- Improving infrastructure of holding company, such as establishing internal control system corresponding to J-SOX which is scheduled to be applied from April 2008, new information systems and networks for accounting and human resources, and strengthening disclosure framework by newly-enacted company disclosure policies
- Establishing new organization utilizing both company's strength and emphasizing sense of speed and efficiency.
- Integrating personnel systems aiming at harmonizing both employee and promoting attractive corporate culture
- Proactively maximizing benefits of business integration such as developing efficient organization system that supports unified decision making on investment/corporate strategy, exchanging human resources and sharing know-how to promote operator project like Ichthys, and jointly participating in the bids for acquiring new projects
- Relocate headquarter of operating holding company to Akasaka (Akasaka Biz Tower (tentative name)) and consolidate group companies to one place

ACG Oil Fields Caspian Sea, Azerbaijan

- INPEX's working interest: 10% (Operator: BP)
- PSC: Until 2024
- Production : approx.532,000bbl/d (all field base, average of September 2006)
- Developing Deep Water Gunashli/Wast Chirag(Phase 3): production level will be over 1 million barrels per day by 2009



Source: BP

Azadegan Oil Field Iran



- Service Contract (Buyback Contract)
- Two Phase Oil Field Development Project*
 - In phase 1, planned to reach 150,000 bbl/d in 2009-10
 - In case we move onto phase 2, planned to reach 260,000 bbl/d in 2013-14
- Continuing discussions in detail with Iranian side based on the following basic framework mutually agreed in principle:
 - INPEX will remain as a contractor to support developing Azadegan Oil Field
 - INPEX will reduce its participating interest from 75% to 10%.
 - Operator will be transferred from INPEX to NICO (subsidiary of National Iranian Oil Company)

* all field base; projections at current point in time

WA-285-P (Ichthys) Western Australia



- INPEX's Working Interest: 100.0%*
- Operator: INPEX
- Concession Agreement:
 - Exploration Period until September 2009
 - Production Period for 21 years from the grant of the production license
- Drilled six exploration wells since 2000 and discovered large scale gas-condensate field, Ichthys
- Commenced environmental impact assessment in accordance with the Australian authorities' regulations in May 2006
- The Australian Government awards Major Project Facilitation(MPF) status to Ichthys project in August 2006, as it provides a significant boost to Australia's employment and exports
- Conducting feasibility studies on development plan with the target of the first production in 2012.
- Plan to produce approximately 6 MTPA of LNG and around 100,000 bbl/d of condensate and LPG

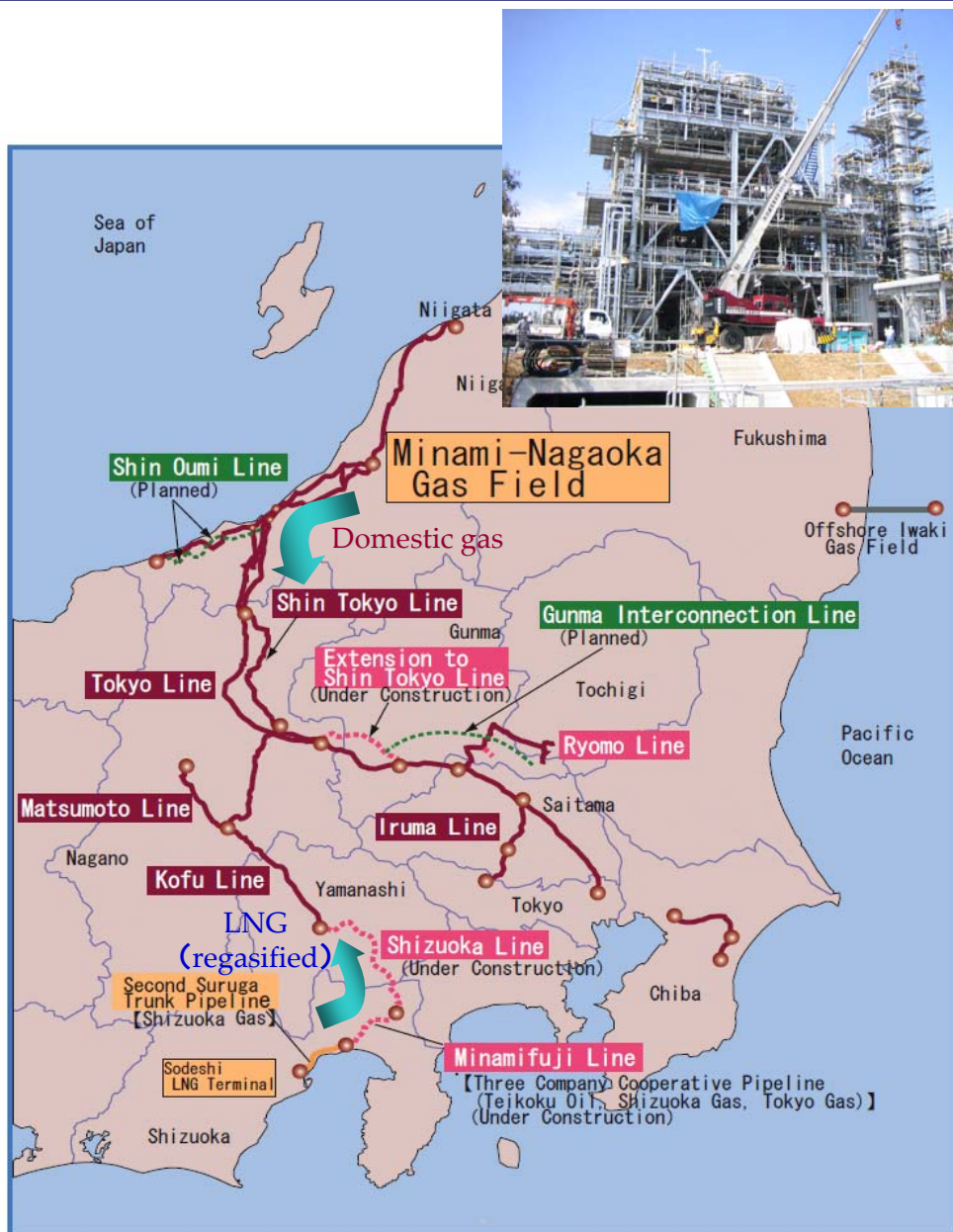
* agreed to transfer a 24% participating interest to Total
(subject to the approval of the Australian Government)

Masela (Abadi) Timor Sea, Indonesia



- INPEX's Working Interest: 100.0%
- Operator: INPEX
- PSC: until 2028
 - 10 years exploration period (until 2008)
- Drilled and discovered gas-condensate by the first exploration well in 2000
- Confirmed the extension of the Abadi structure by 2 appraisal wells in 2002
- Plan to drill further 4 appraisal wells from 1Q 2007
- Plan to obtain third party's certificate for recoverable reserves in 2008

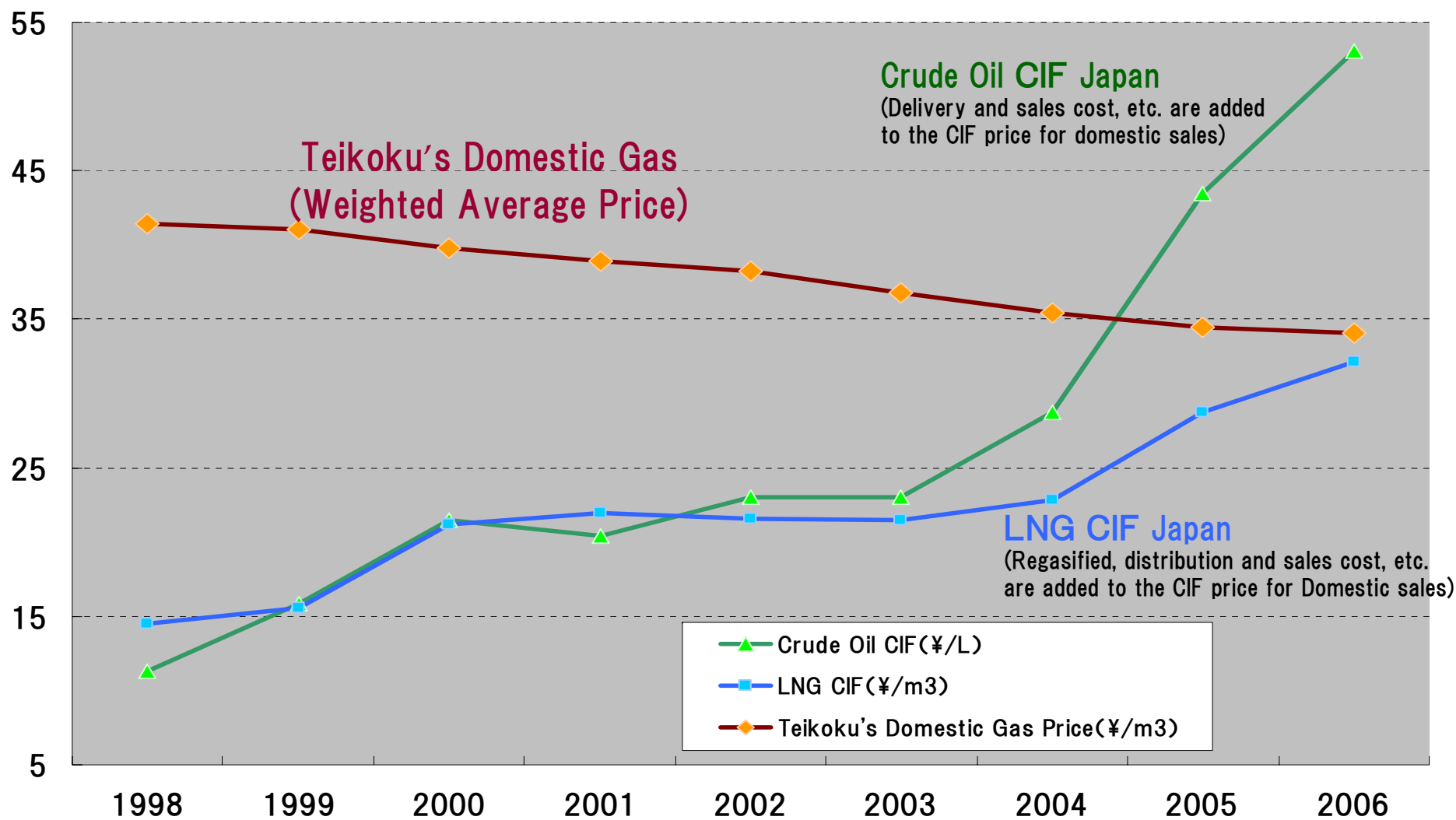
Domestic Natural Gas Business



Pipeline Network

- Building the Domestic Infrastructure
 - Additional processing train at Minami - Nagaoka : Completion
(Output capacity : Boosted 1.5 times)
 - Shizuoka Line/Minamifuji Line : Completion
(Additional Gas sales to Shizuoka Gas / 100 MMm³ ~ 200 MMm³/y)
- Natural Gas Sales Growth
 - Inquiries from large-scale industrial users are much stronger than anticipated
 - 25% year to year increase : 1,200 MMm³ /y to be achieved earlier
- Further reinforcement of gas supply infrastructure
 - Enhancement of underground storage at Sekihara Gas Field
(Withdrawal capacity : Up to 1.5 times)
 - Gunma Interconnection Line (Planned)
 - Shin Oumi Line
- Reserves (To be expanded)
 - Development of the northern part of Minami-Nagaoka Gas Field by Massive Hydraulic Fracturing (MHF) Technology
(4 wells to be applied : Expected additional reserves of over 10%)
- Starting the Power business in 2007

Historical Prices of Domestic Natural Gas



Source : Trade Statistics of Japan by Ministry of Finance

* Crude Oil, LNG : Calorific value equivalent @41.86MJ
 * Crude Oil, LNG in 2006 : Average of Apr–Aug (Record)
 * Teikoku's Domestic Gas in 2006 : Prospect