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Financial Results  
for the six months ended September 30, 2009

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INPEX CORPORATION

November 6, 2009

# Agenda

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***INPEX***

- Financial Results for the six months ended September 30, 2009
- Corporate Overview

# 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.

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Financial Results for six months ended September 30, 2009

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Masahiro Murayama  
Director, Managing Executive Officer  
Senior General Manager  
Finance & Accounting Division

# Highlights of the Consolidated Financial Results for the six months ended September 30, 2009



	Apr.-Sep. '08	Apr.-Sep. '09	Change	%change
Net Sales (Billions of yen)	741.5	392.6	(348.9)	(47.1%)
Crude Oil Sales	478.0	232.5	(245.4)	(51.4%)
Natural Gas Sales (Including LPG)	248.8	148.0	(100.8)	(40.5%)
Others	14.6	11.9	(2.6)	(18.2%)
Operating Income (Billions of yen)	503.7	202.2	(301.4)	(59.8%)
Ordinary Income (Billions of yen)	479.4	193.3	(286.1)	(59.7%)
Net Income (Billions of yen)	104.0	47.6	(56.3)	(54.2%)
Net income per share (Yen)	44,155.91	20,244.57	(23,911.34)	(54.2%)

Average number of shares issued and outstanding during the six months ended September 30, 2009(consolidated): 2,353,494

# Crude Oil Sales



	Apr.-Sep. '08	Apr.-Sep. '09	Change	%Change
Net Sales (Billions of yen)	478.0	232.5	(245.4)	(51.4%)
Sales volume (Mbbl)	38,301	38,891	590	1.5%
Average unit price of overseas production (\$/bbl)	116.73	61.99	(54.74)	(46.9%)
Average unit price of domestic production (¥/kl)	81,789	37,168	(44,621)	(54.6%)
Average exchange rate (¥/\$)	105.89	95.48	10.41 Yen appreciation	9.8% Yen appreciation
Sales volume by region (Mbbl)	Apr.-Sep. '08	Apr.-Sep. '09	Change	%Change
Japan	161 (26 thousand kl)	110 (17 thousand kl)	(51) (-8 thousand kl)	(31.8%)
Asia/Oceania	5,436	7,987	2,551	46.9%
Eurasia (Europe/NIS)	4,316	6,306	1,989	46.1%
Middle East/Africa	28,306	23,374	(4,931)	(17.4%)
Americas	82	1,114	1,032	-
Total	38,301	38,891	590	1.5%

# Natural Gas Sales (Excluding LPG)

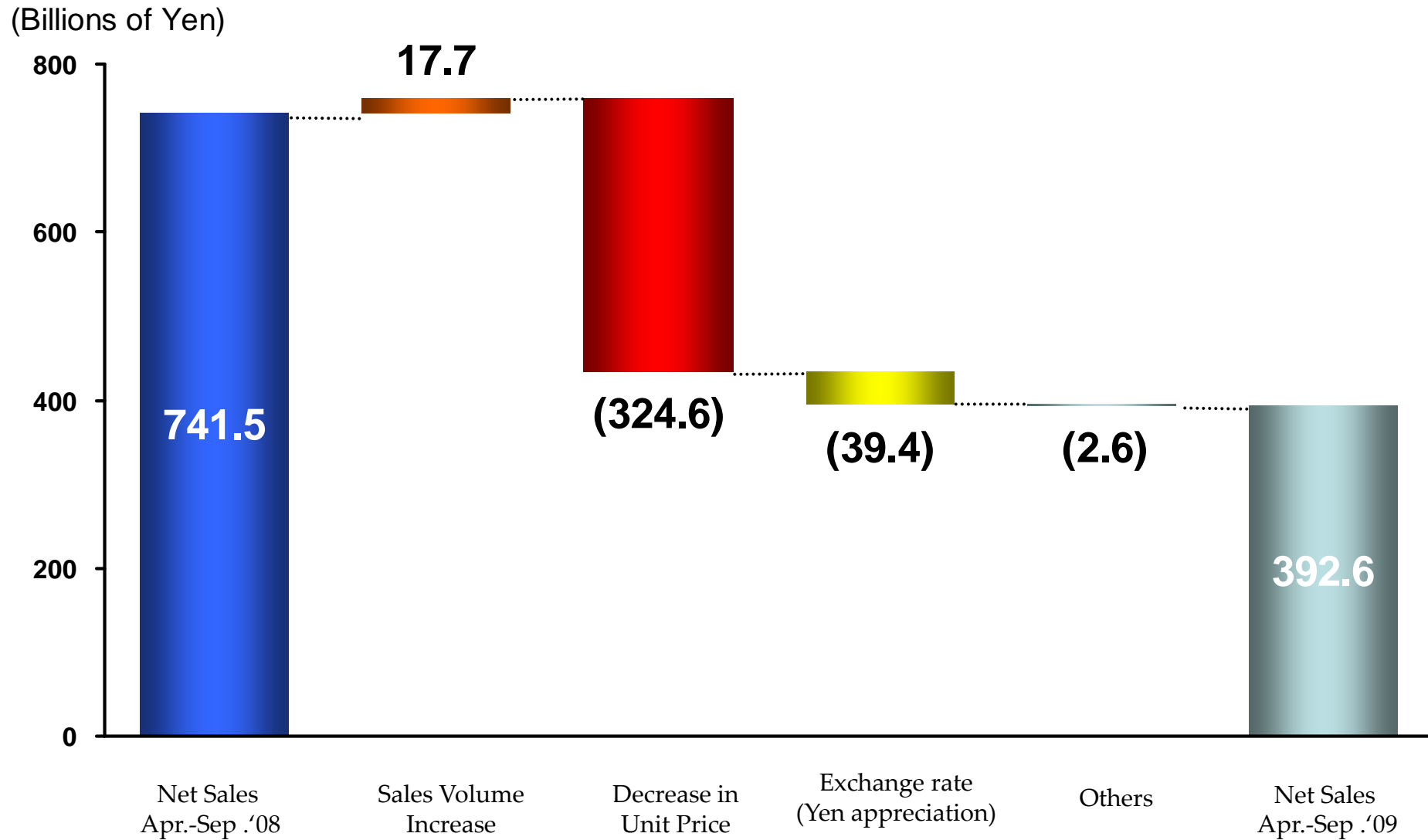


	Apr.-Sep. '08	Apr.-Sep. '09	Change	%Change
Net Sales (Billions of yen)	239.0	143.1	(95.8)	(40.1%)
Sales volume (MMcf)	197,349	205,766	8,417	4.3%
Average unit price of overseas production (\$/Mcf)	11.73	6.91	(4.82)	(41.1%)
Average unit price of domestic production (¥/ m <sup>3</sup> )	37.25	35.54	(1.71)	(4.6%)
Average exchange rate (¥/\$)	106.24	95.18	11.06 yen appreciation	10.4% yen appreciation
Sales volume by region (MMcf)	Apr.-Sep. '08	Apr.-Sep. '09	Change	%Change
Japan	28,301 (758 million m <sup>3</sup> )	26,291 (704 million m <sup>3</sup> )	(2,009) (-54 million m <sup>3</sup> )	(7.1%)
Asia/Oceania	154,546	164,392	9,846	6.4%
Eurasia (Europe/NIS )	-	-	-	-
Middle East/Africa	-	-	-	-
Americas	14,502	15,082	580	4.0%
Total	197,349	205,766	8,417	4.3%

(FYI) LPG Sales

	Apr.-Sep. '08	Apr.-Sep. '09	Change	%Change
Net Sales (Billions of yen)	9.8	4.9	(4.9)	(50.1%)

# Analysis of Net Sales Decrease





# Statements of Income



(Billions of Yen)	Apr.-Sep. '08	Apr.-Sep. '09	Change	%change
Net Sales	741.5	392.6	(348.9)	(47.1%)
Cost of Sales	188.4	148.5	(39.8)	(21.2%)
Exploration expenses	15.7	8.0	(7.6)	(48.5%)
Selling, general and administrative expenses	33.6	33.6	(0.0)	(0.1%)
Operating Income	503.7	202.2	(301.4)	(59.8%)
Other income	10.7	7.2	(3.4)	(32.4%)
Other expenses	34.9	16.2	(18.7)	(53.7%)
Ordinary Income	479.4	193.3	(286.1)	(59.7%)
Income taxes-current	378.4	140.5	(237.8)	(62.9%)
Income taxes-deferred	(7.3)	2.3	9.6	(131.7%)
Minority interests	4.3	2.7	(1.5)	(36.7%)
Net Income	104.0	47.6	(56.3)	(54.2%)

Crude oil sales : 232.5  
 (Change) (245.4)  
 Natural Gas sales\* : 148.0  
 (Change) (100.8)

Cost of sales for crude oil : 93.1  
 (Change) (44.1)  
 Cost of sales for natural gas\* : 47.1  
 (Change) +4.3

\* Including LPG

# Other Income/Expenses



(Billions of Yen)	Apr.-Sep. '08	Apr.-Sep. '09	Change	%change
Other income	10.7	7.2	(3.4)	(32.4%)
Interest income	3.4	2.3	(1.1)	(32.9%)
Dividend income	3.7	2.2	(1.5)	(41.4%)
Equity in earnings of affiliates	1.3	-	(1.3)	(100.0%)
Other	2.1	2.6	0.5	27.4%
Other expenses	34.9	16.2	(18.7)	(53.7%)
Interest expense	3.4	0.5	(2.8)	(84.9%)
Equity in losses of affiliates	-	0.9	0.9	-
Provision for allowance for recoverable accounts under production sharing	14.1	2.6	(11.5)	(81.3%)
Provision for exploration projects	2.5	4.3	1.8	72.7%
Loss on valuation of investment securities	5.1	-	(5.1)	(100.0%)
Foreign exchange loss	5.2	4.5	(0.6)	(13.0%)
Other	4.5	3.2	(1.3)	(29.0%)

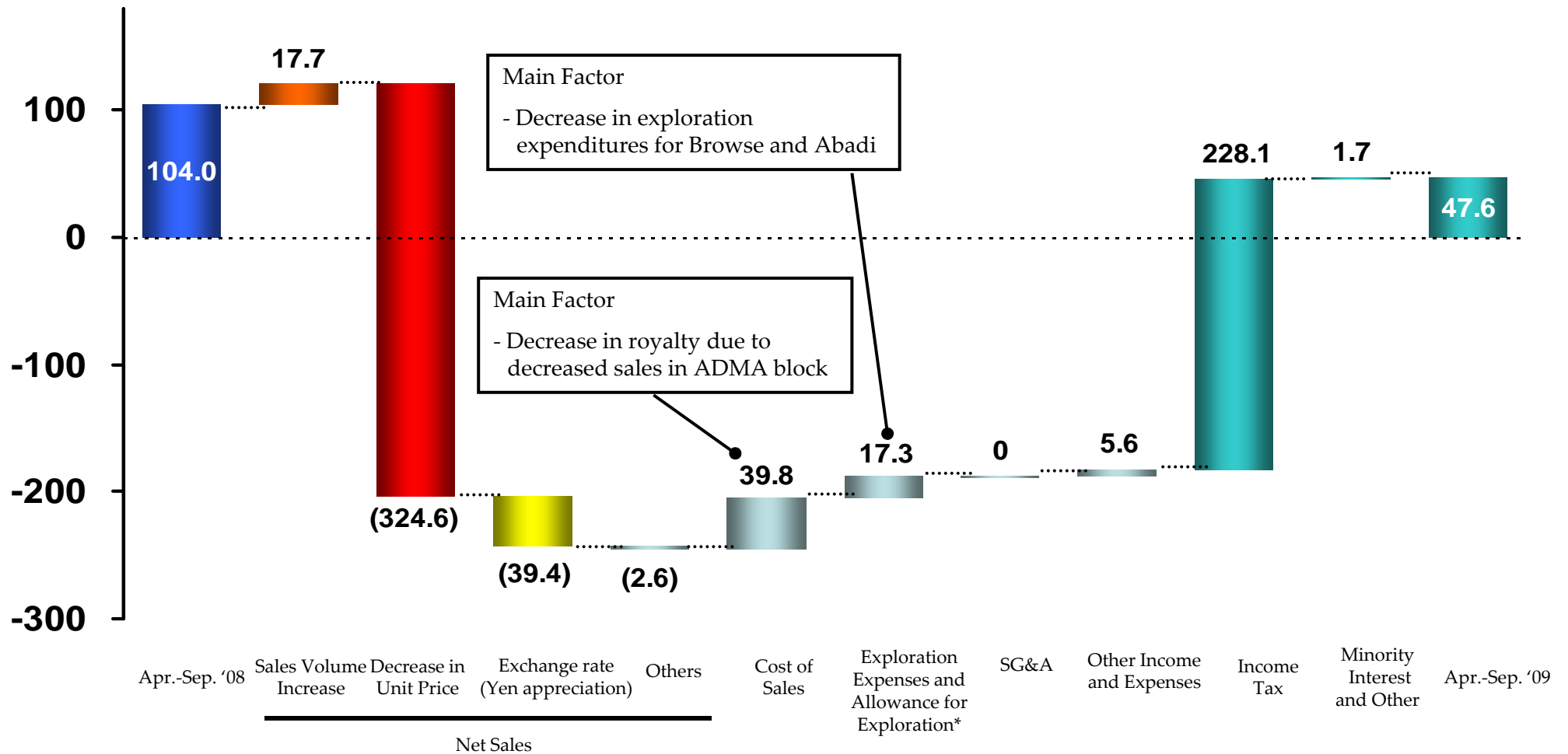
Mainly decrease in exploration expenditures for Abadi

Booked loss on valuation of investment securities in which stock price decreased more than 30% from the acquisition prices in the previous year

# Analysis of Net Profit Decrease



(Billions of yen)



\*Provision for allowance for recoverable accounts under production sharing and Provision for exploration projects

# Balance Sheets



(Billions of yen)	Mar. '09	Sep. '09	Change	%change
Current assets	411.1	443.9	32.8	8.0%
Tangible fixed assets	297.6	330.9	33.3	11.2%
Intangible assets	253.6	245.7	(7.9)	(3.1%)
Recoverable accounts under production sharing	453.9	486.6	32.7	7.2%
Other investments	439.5	437.7	(1.8)	(0.4%)
Less allowance for recoverable accounts under production sharing	(87.8)	(92.8)	(4.9)	5.7%
<b>Total assets</b>	<b>1,768.0</b>	<b>1,852.2</b>	<b>84.1</b>	<b>4.8%</b>
Current liabilities	206.0	228.0	21.9	10.7%
Long-term liabilities	199.9	206.5	6.6	3.3%
<b>Total net assets</b>	<b>1,362.0</b>	<b>1,417.6</b>	<b>55.5</b>	<b>4.1%</b>
(Minority interests)	90.9	95.3	4.3	4.8%
<b>Total liabilities and net assets</b>	<b>1,768.0</b>	<b>1,852.2</b>	<b>84.1</b>	<b>4.8%</b>
Net assets per share (Yen)	540,100	561,854	21,754	4.0%

Investment in Naoetsu LNG receiving terminal and Ichthys, etc.

Investment in Kashagan Oil Field, Offshore Mahakam Block, etc.

# Statements of Cash Flows




(Billions of Yen)	Apr.-Sep. '08	Apr.-Sep. '09	Change	%change
Income before income taxes and minority interests	479.4	193.3	(286.1)	(59.7%)
Depreciation and amortization	19.6	19.9	0.2	1.2%
Recovery of recoverable accounts under production sharing (capital expenditures)	25.2	25.0	(0.1)	(0.7%)
Recoverable accounts under production sharing (operating expenditures)	(25.2)	(8.3)	16.8	(66.8%)
Income taxes paid	(314.7)	(139.3)	175.3	(55.7%)
Other	27.0	18.0	(8.9)	(33.2%)
<b>Net cash provided by operating activities</b>	<b>211.3</b>	<b>108.6</b>	<b>(102.7)</b>	<b>(48.6%)</b>
Purchase of tangible fixed assets	(40.2)	(50.3)	(10.0)	25.0%
Purchases of marketable securities/investment securities and proceed from sales of marketable securities/investment securities (Net)	(74.8)	16.7	91.5	(122.4%)
Investment in recoverable accounts under production sharing (capital expenditures)	(64.0)	(49.1)	14.8	(23.2%)
Other	0.0	(8.4)	(8.4)	-
<b>Net cash used in investing activities</b>	<b>(179.0)</b>	<b>(91.1)</b>	<b>87.9</b>	<b>(49.1%)</b>
<b>Net cash provided by (used in) financing activities</b>	<b>(50.6)</b>	<b>22.5</b>	<b>73.2</b>	<b>(144.6%)</b>
Cash and cash equivalents at end of the period	210.2	196.5	(13.7)	(6.5%)

# Differences between Consolidated Financial Forecasts and Actual Results for the six months ended September 30, 2009 **INPEX**

## - Assumptions

(Aug. 5, 2009)	1 <sup>st</sup> half (Previous Forecasts)
Crude oil price (Brent) (US\$/bbl)	59.0
Exchange rate (yen/US\$)	96.2



	1 <sup>st</sup> half (Actual Results)
Crude oil price (Brent) (US\$/bbl)	64.4
Exchange rate (yen/US\$)	95.5

## -Differences between Consolidated Financial Forecasts and Actual Results for the six months ended September 30, 2009

	Previous Forecasts (Aug. 5, 2009)	Actual Results	Change	% Change
Net Sales (billions of yen)	360.0	392.6	32.6	9.1%
Operating income (billions of yen)	169.0	202.2	33.2	19.7%
Ordinary income (billions of yen)	162.0	193.3	31.3	19.3%
Net income (billions of yen)	36.0	47.6	11.6	32.3%

# Revisions of Financial Forecasts for the year ending March 31, 2010



## - Assumptions

(Aug. 5, 2009)	2 <sup>nd</sup> half	Full year
Crude oil price (Brent) (US\$/bbl)	55.0	57.0
Exchange rate (yen/US\$)	95.0	95.6



(Nov. 4, 2009)	2 <sup>nd</sup> half	Full year
Crude oil price (Brent) (US\$/bbl)	65.0	64.7
Exchange rate (yen/US\$)	90.0	92.8

## - Financial Forecasts for the year ending March 31, 2010

	Previous forecasts (Aug. 5, 2009)	Revised forecasts (Nov. 4, 2009)	Change	% Change
Net Sales (billions of yen)	720.0	778.0	58.0	8.1%
Operating income (billions of yen)	316.0	388.0	72.0	22.8%
Ordinary income (billions of yen)	296.0	372.0	76.0	25.7%
Net income (billions of yen)	56.0	86.0	30.0	53.6%

## - Dividend per share

	End of 2Q	End of fiscal year (forecast)	Total (forecast)
Year ended March 31, 2010 (yen)	2,500	2,500	5,000

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# Corporate Overview

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Naoki Kuroda  
Representative director, President



# Production Start-up Projects in 2009



Frade FPSO

## Frade Block (Brazil)

- Production start: June 2009
- Oil production volume: Approximately 100,000 bbl/d (peak rate)
- INPEX participating interest : Approximately 6.85%



Tangguh LNG Plant

## Tangguh LNG Project (Indonesia)

- First cargo: July 2009
- LNG production: 7.6 MM t/a
- INPEX participating interest : Approximately 7.79%



Drilling Rig (Van Gogh Oil Field)

## Van Gogh Oil Field (Van Gogh Defined Area) (Australia)

- Production start: 4Q 2009
- Oil production volume: Approximately 60,000 bbl/d (peak rate)
- INPEX participating interest: Approximately 47.50%

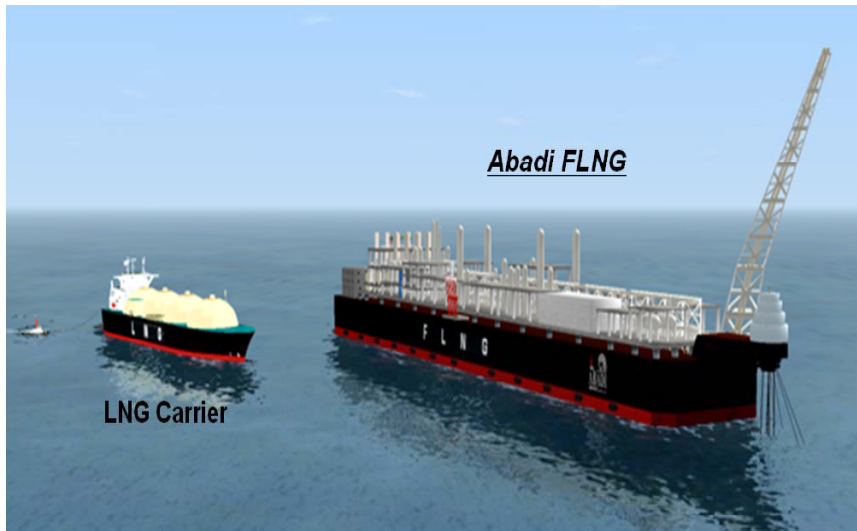
# Ichthys Project



- Production volume (expected):
  - Approx. 8.4 MM t/a of LNG
  - Approx. 1.6 MM t/a of LPG
  - Approx. 100,000 bbl/d of condensate (Peak Rate)
- FID target: 2010
- Production start target: 2015

- FEED work in progress
  - Onshore (natural gas liquefaction plant)
  - Offshore (CPF & pipeline)
- Submitted Environmental Impact Statement(EIS)
  - Currently drafting a revised version which reflects government's comments
- Gas Marketing Activities
- Retention Lease

# Abadi Project



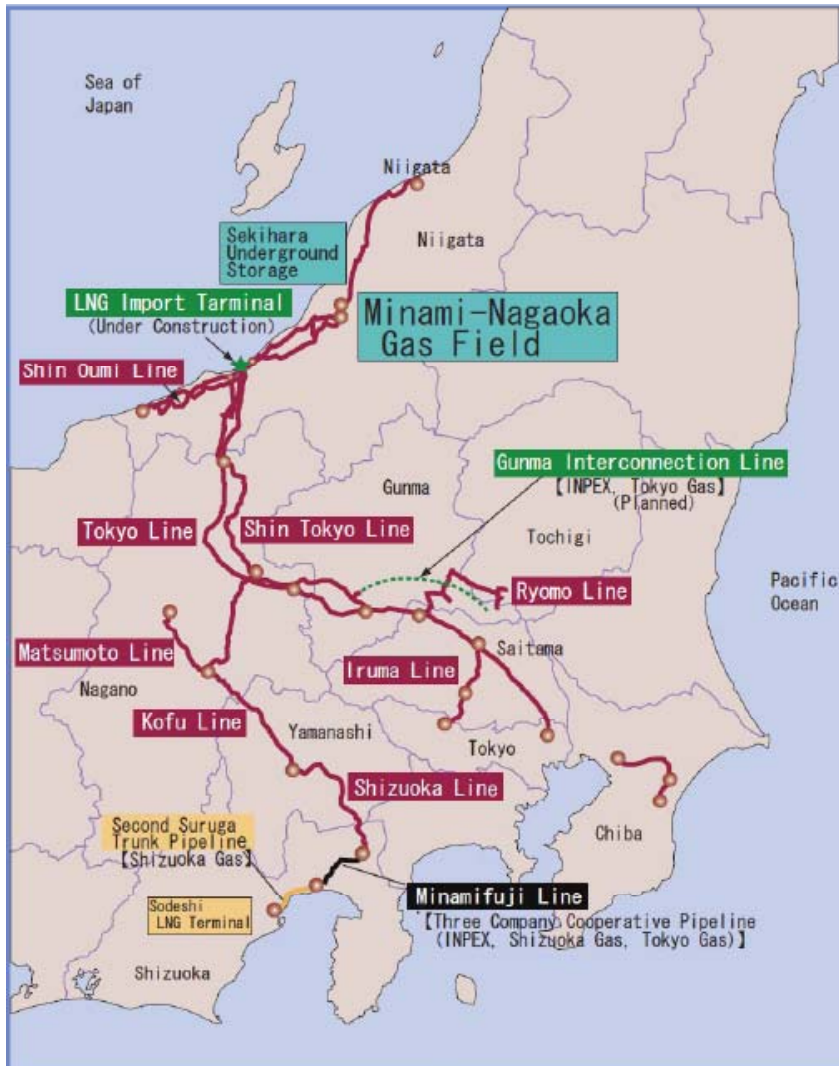
- Working on the preparation for FEED
- AMDAL/IESIA(International Environmental & Social Impact Assessment)
- Transfer a 10% participating interest to an Indonesian company (PT EMP Energi Indonesia\*)

\* A subsidiary of PT Energi Mega Persada Tbk. (EMP). EMP is a leading Indonesian upstream oil and gas company and one of primary companies of the Bakrie group, which is one of Indonesia's most prominent corporate groups.

## ■ Approved Development Concept

- Floating LNG
- Initial development focusing on the North block
- The LNG production of 4.5MMt/a for more than 30 years
- Condensate production of 13,000 bbl/d
- Subsea production System

# Leading to Gas Supply Chain



- Started construction of Naoetsu LNG Receiving Terminal (Jul. 2009)
  - Investment cost: approximately 100 billion yen
  - Start-up target of operation: 2014
- Completed construction of Shin Oumi Line (Natural Gas Pipeline)(Sep. 2009)
  - Location : Between Tomioka, Joetsu City and Toumi, Itoigawa City in Niigata Prefecture
  - Design : 7.0MPa of design pressure and 508mm (20 inches) of pipe diameter
  - Length : approximately 68km