

INPEX CORPORATION

**Financial Results**  
**for the six months ended June 30, 2021**

August 11, 2021



- Corporate Overview
- Consolidated Financial Results for the six months ended June 30, 2021
- Consolidated Financial Forecasts for the year ending December 31, 2021

This presentation includes forward-looking information that reflects the plans 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 risks, 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 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.

# Corporate Overview

***INPEX***

Takayuki Ueda  
Representative Director, President & CEO

# FY2021/12 Second Quarter Financial Results Highlights



FY2021 Q2 Financial Results	Net Sales	¥498.3 billion (27.2% increase YoY)
	Net Income	¥51.9 billion (¥172.7 billion increase YoY)
	Net Production	528 thousand BOED (9.3% decrease YoY)
FY2021 Full Year Financial Forecasts	<ul style="list-style-type: none"> <li>■ Net Sales: ¥1,134.0 billion (47.1% increase YoY)</li> <li>■ Net Income: ¥170.0 billion (¥281.6 billion increase YoY)</li> </ul> <p>* Free Cash Flow including the Ichthys Downstream IJV: ¥320 billion</p>	
Dividend per Share	<ul style="list-style-type: none"> <li>■ Total annual dividend of ¥40 per share (forecast) including interim dividend of ¥20 and year-end dividend of ¥20 (forecast)</li> </ul>	
Project Highlights	<ul style="list-style-type: none"> <li>■ Ichthys LNG: Scheduled shutdown maintenance completed</li> <li>■ Abadi LNG Project: Suspension of detailed survey work at and around the planned plant construction site</li> <li>■ Abu Dhabi Oil Fields: Block 4 exploration well spud-in in May 2021</li> <li>■ Natural Gas Business in Japan: 1.14 billion m<sup>3</sup> of natural gas sold for the first half</li> </ul>	
Highlights - Initiatives towards a net zero carbon society	<ul style="list-style-type: none"> <li>■ Signed joint study agreement on exploring the commercial potential of clean ammonia production business in the United Arab Emirates</li> <li>■ Signed carbon neutral gas sales and purchase agreements with Japanese buyers</li> <li>■ Received carbon-neutral LNG shipment at Naoetsu LNG Terminal in Japan from Ichthys LNG Project</li> <li>■ Commenced joint study for CO<sub>2</sub>-EOR pilot test in Agano City, Niigata, Japan</li> <li>■ INPEX participated consortium selected as business operator of offshore wind power project in Goto City, Nagasaki, Japan</li> </ul>	

## Australia

### Ichthys LNG Project (In production)

#### ■ Maintenance Plan

- Shutdown maintenance completed in May - June 2021

#### ■ Production Status / Cargoes Shipped

- Stable operations have been maintained while less cargoes were shipped during shutdown maintenance.
- 47 LNG cargoes shipped between January and June 2021
- Approximately 10 LNG cargoes per month expected for FY2021

Period	LNG	Onshore Condensate	Offshore Condensate	LPG
October 2018 to March 2019	31	4	10	6
April to December 2019	84	16	23	23
January to December 2020	122	22	34	34
January to June 2021	47	9	13	13
<b>Total since production start-up</b>	<b>284</b>	<b>51</b>	<b>80</b>	<b>76</b>

#### ■ OPEX (Operational Expenditure)

- Competitive production cost in comparison to the company's other producing assets

#### ■ Drilling of Production Wells

- Drilling of 19<sup>th</sup> production well completed. Currently drilling 20<sup>th</sup> production well.

#### ■ Legal disputes with Ichthys onshore LNG plant construction contractor (disclosed on 12<sup>th</sup> May)

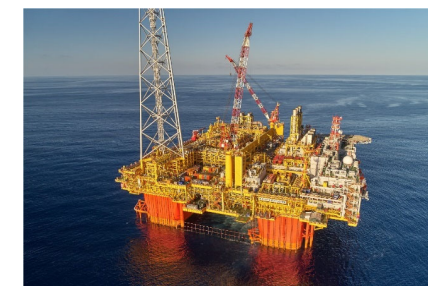
- Legal disputes ongoing. INPEX will promptly make an announcement in the event further disclosure is required.

#### ■ Exploration Blocks in the Vicinity of Ichthys LNG Project

- INPEX holds participating interests in 17 exploration blocks in the vicinity of the Ichthys LNG Project.
- To date, multiple gas reservoirs have been discovered including Crown, Lasseter, Mimia and Burnside. These gas reservoirs extend across at least 9 blocks.
- Land secured for possible additional LNG processing trains in Darwin.



Onshore LNG Plant  
(Darwin, Australia)



Central Processing Facility  
(Offshore Australia)



FPSO  
(Offshore Australia)

## Indonesia

### Abadi LNG Project (In preparation for development)

#### ■ Production Capacity

- Total output of natural gas (LNG equivalent): 10.5 million tons per year including
  - Approximately 9.5 million tons of LNG per year
  - Local gas supply via pipeline
- Up to approximately 35,000 barrels of condensate per day

#### ■ Production Sharing Contract (PSC) Term

- From November 16, 1998 to November 15, 2055
- PSC amendment and extension agreements signed in October 2019, extending the PSC from 2028 to 2055

#### ■ Milestones

- The project was listed as a national strategic project in June 2017 and as a priority infrastructure project in September 2017 by the Indonesian government.
- In July 2019, Indonesian authorities approved the revised plan of development based on an onshore LNG development scheme.
- In February 2020, INPEX signed an MoU with PT PLN and with PT Pupuk Indonesia, each concerning the long-term domestic gas supply from the Abadi LNG Project.
- In December 2020, INPEX signed an MoU with PT Perusahaan Gas Negara Tbk (PGN) concerning domestic LNG supply.

#### ■ Schedule

- Suspension of detailed survey work at and around the planned plant construction site due to the spread of COVID-19
- Plans to consider ways to realize the project in line with the changing external environment through initiatives including introduction of CCS/CCUS
- Pursuing efficient development leveraging the expertise and experience acquired through the Ichthys LNG Project

## Abu Dhabi

### Abu Dhabi Onshore Concession (In production)

#### ■ Areas of Progress

- Production capacity reached 2 million bbl/d. Further development study is ongoing to increase production capacity.

### Abu Dhabi Offshore Oil Fields (In production)

#### ■ Target Production Capacity

- Upper Zakum: 1 million bbl/d
- Lower Zakum: 0.45 million bbl/d
- Satah: 25 thousand bbl/d
- Umm Al Dalkh: 20 thousand bbl/d

#### ■ Areas of Progress

- Development work is ongoing to increase the combined production capacity of the four fields to approximately 1.5 million bbl/d
- As the asset leader of the Lower Zakum Oil Field, INPEX is currently playing a leading role in advancing development and working closely with ADNOC and its partners.

### Abu Dhabi Onshore Block 4 (In exploration)

#### ■ Areas of Progress

- In 2019, exclusively awarded Onshore Block 4 as operator.
- In May 2021, commenced drilling works.



Abu Dhabi Onshore Concession



Abu Dhabi Offshore Oil Fields

## Japan

### Natural Gas Business in Japan (In production)

- **Natural Gas Sales Volume** (1m<sup>3</sup> =41.8605MJ)
  - FY2020/12: approx. 2.07 billion m<sup>3</sup>
  - FY2021/12 forecast: approx. 2.15 billion m<sup>3</sup>
- **Naoetsu LNG Terminal**
  - Started commercial operations at Naoetsu LNG Terminal in December 2013
  - Toyama Line completed in June 2016
  - First LNG cargo (Pacific Breeze) from Ichthys LNG Project called at Naoetsu LNG Terminal in October 2018
  - First call by Oceanic Breeze carrying Ichthys cargo in February 2019

## Eurasia

### Kashagan Oil Field (In production)

- **Areas of Progress**
  - Production volume reached 370 thousand bbl/d.
  - Work ongoing to increase production volume to 450 thousand bbl/d

### ACG Oil Fields (In production)

- **Areas of Progress**
  - Achieved 500 million-ton (3.7 billion barrels) cumulative production milestone in December 2019

## Americas

### Tight Oil Project (Eagle Ford shale play) (In production)

- **Areas of Progress**
  - Oil Production: 3 thousand bbl/d (average for June 2021, for INPEX interest)
  - Development plans optimized to respond to oil price fluctuations.
  - Investments were deferred during the oil price downturn in the first half of 2020. Development activities were accelerated in 2021 following the oil price recovery.

### Lucius & Hadrian North Oil Fields (In production)

- **Areas of Progress**
  - Oil Production: 41 thousand bbl/d (average for June 2021)
  - In February 2021, additionally acquired a portion of the participating interest in both fields previously held by ExxonMobil.



Naoetsu LNG Terminal  
(Niigata, Japan)



Koshijihara Gas Plant  
(Niigata, Japan)



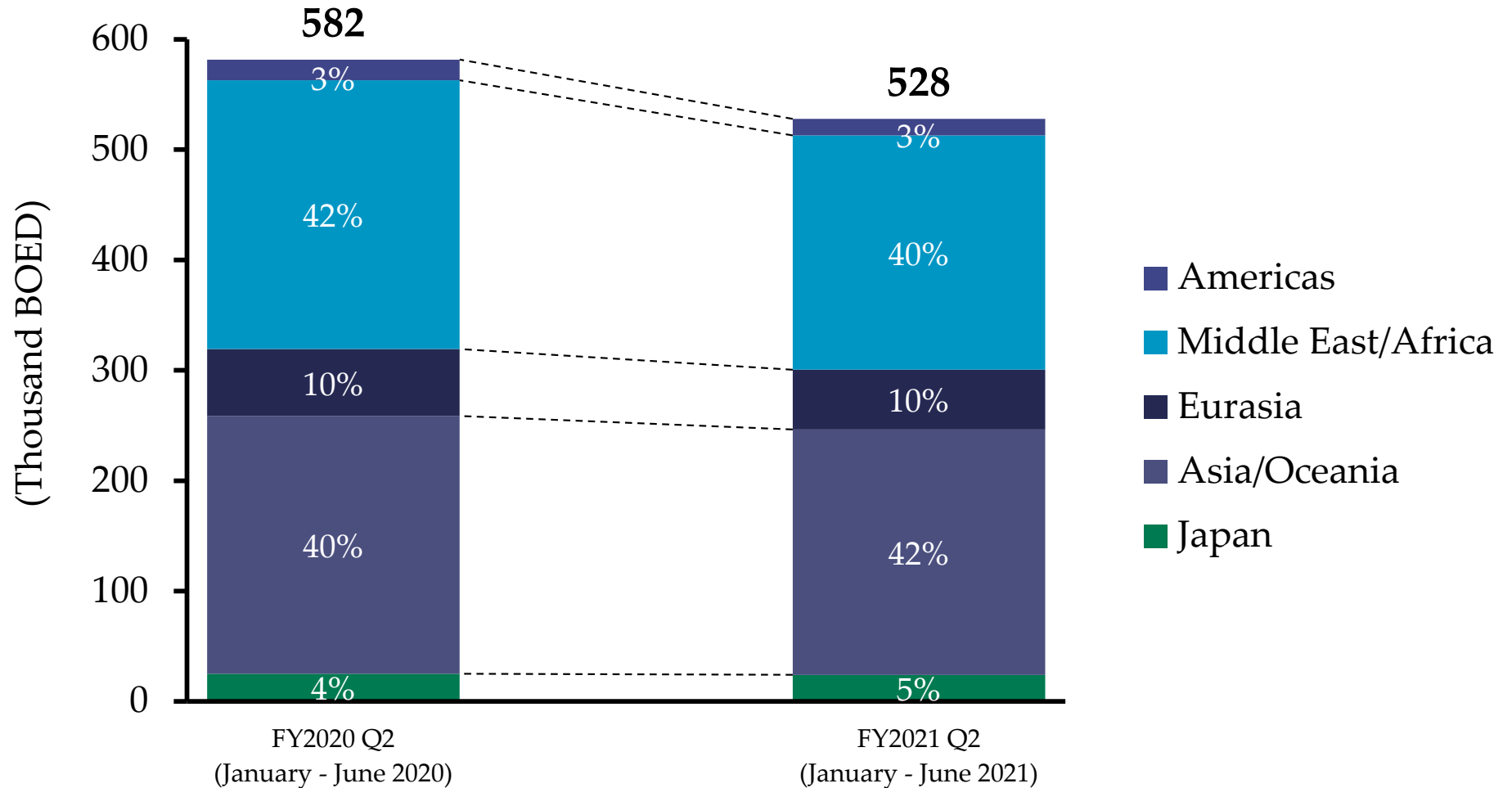
ACG Oil Fields  
(Azerbaijan)



Drilling Site of Eagle Ford  
(United States)



- Net production for the first half decreased reflecting the planned shutdown maintenance of the Ichthys LNG Project.



\* Net production for FY2021 Q2 (January to June 2021). The production volume under the production sharing contracts entered into by the INPEX Group corresponds to the net economic take of the INPEX Group.

## Our climate change response goals

2050	2030	Scope3 Reduction
NET ZERO in absolute emissions (Scope1+2)* <sup>1</sup>	30% OR MORE reduction of net carbon intensity (Scope1+2)* <sup>2</sup>	work together with all relevant stakeholders to address challenges across the value chains

\*1 on INPEX equity share basis \*2 in comparison with 2019

### Reduce CO2 emissions from upstream operations (CCUS)

#### CO2EOR Pilot Tests

- Commenced a joint study in April 2021 with JOGMEC for a CO2 enhanced oil recovery pilot test at the Minami-aga Oil Field in Agano City, Niigata, Japan.

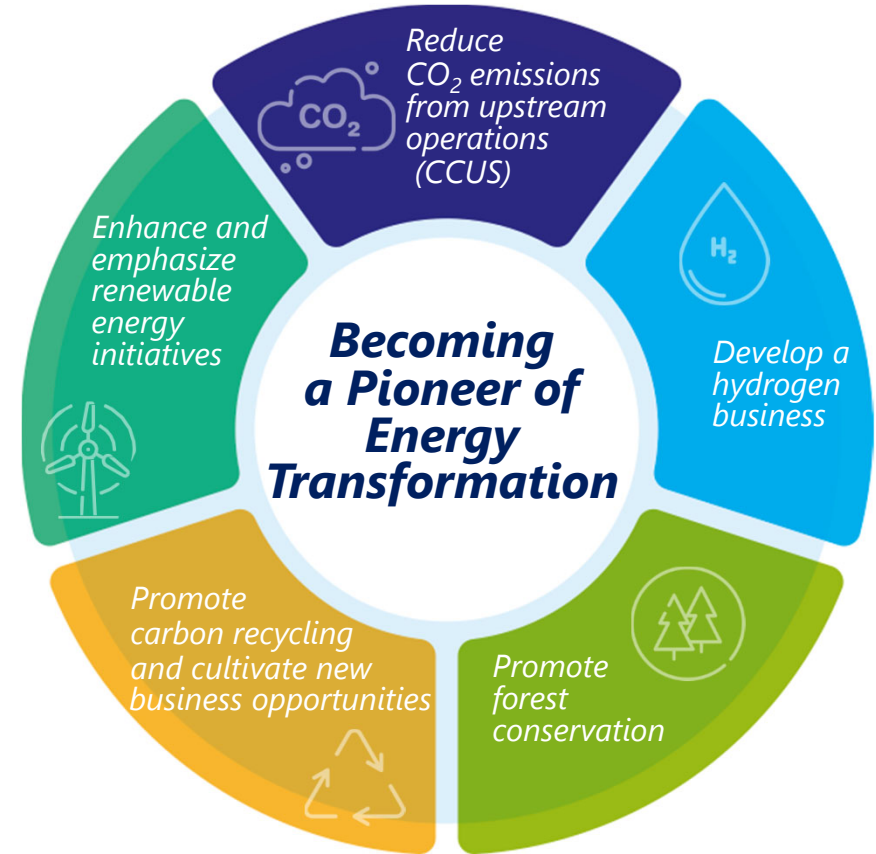
#### Ichthys LNG Project CCS Under Consideration

- Evaluating the feasibility of sequestering CO2 captured at the INPEX-operated Ichthys LNG plant in Darwin, Australia. An appropriate injection site is to be selected based on a detailed evaluation.

#### Carbon Neutral Gas Sales

- Between May and July 2021, INPEX signed carbon neutral gas sales and purchase agreements with Nihonkai Gas, KIRYU GAS and the Joetsu City Gas and Water Bureau.
- In July 2021, INPEX received a carbon-neutral LNG shipment from the Ichthys LNG Project at the Naoetsu LNG Terminal in Japan.

## Five Business Pillars towards a net zero carbon society



“Symphonic Breeze” at the Naoetsu LNG Terminal

## Develop a hydrogen business

### **Integrated hydrogen business test project in Kashiwazaki, Niigata, Japan**

- INPEX plans to demonstrate the feasibility of a business model utilizing natural gas from INPEX assets to produce carbon-free hydrogen through a natural gas reforming process and secure a greater volume of resources through underground injection of CO<sub>2</sub> emitted from the reforming process.
- INPEX also plans to use some of this hydrogen to produce blue ammonia. INPEX plans to consider utilising a new production process based on a lower temperature and pressure compared to the Haber-Bosch process, which is commonly used for ammonia production on an industrial scale.

### **Clean Ammonia Business in Abu Dhabi**

- In July 2021, INPEX signed a joint study agreement with ADNOC, JERA and JOGMEC on exploring the commercial potential of a clean ammonia production business in the UAE.
- INPEX aims to supply Japan with clean ammonia with a vastly reduced carbon footprint by utilizing CO<sub>2</sub> emitted from the production process for CO<sub>2</sub> EOR at onshore Abu Dhabi oil fields in which INPEX has a participating interest.

### **Carbon-free hydrogen business outside Japan**

- INPEX is examining ways to participate in a hydrogen liquefaction and offloading business to develop its own hydrogen business abroad.

## Enhance and emphasize renewable energy initiatives

### **Geothermal Power Project (Indonesia)**

- Sarulla Geothermal Independent Power Producer (IPP) Project commercially operating since May 2018.

### **Geothermal Power Project (Akita, Japan)**

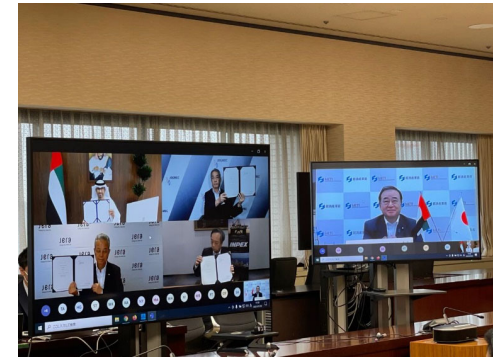
- Environmental assessments are ongoing in the Oyasu area in Akita Prefecture, Japan where flow tests conducted in 2020 are currently under evaluation.

### **Floating Offshore Wind Power Project (Nagasaki, Japan)**

- Joined a consortium for the implementation of a floating offshore wind power project in Goto City, Nagasaki Prefecture, Japan.
- The consortium was selected as the project's business operator in June 2021.

### **Fixed-bottom Offshore Wind Power Project (Akita, Japan)**

- Joined a consortium for the implementation of fixed-bottom offshore wind power projects in Noshiro, Mitane and Oga in Akita Prefecture, Japan in May 2020. Currently in open bidding.



Signing ceremony of the joint study agreement on clean ammonia production business in Abu Dhabi



Sarulla Geothermal Independent Power Producer (IPP) Project



Image of floating offshore wind power project (Photo by Mr Hoichi Nishiyama)

## Promote carbon recycling and cultivate new business opportunities

### Methanation

- In this NEDO2-sanctioned project to develop technologies that enable the effective utilization of CO<sub>2</sub>, INPEX established a testing facility producing methane from CO<sub>2</sub> and hydrogen where various tests were conducted. Various tests were completed at the end of June 2021.
- Plans to scale up the operation in stages aiming for commercialization in 2030.

### Artificial Photosynthesis

- INPEX is participating in the Japan Technological Research Association of Artificial Photosynthetic Chemical Process (ARPCChem) since 2012.
- As an ARPCChem member, INPEX led an initiative to construct a solar hydrogen production test facility in Darwin, Australia and has commenced performance validation.

### Drone Business

- In February 2021, INPEX made an investment in Terra Drone Corp. and commenced joint studies toward the realization of the INPEX-Terra Drone Intelligent Drone Plan.

### Seeking collaboration with start-up companies

- INPEX has signed a membership contract with Plug and Play aiming to promote joint business with start-up companies in the energy sector.

## Promote forest conservation

### INPEX to Support Rimba Raya REDD+ Project (Indonesia)

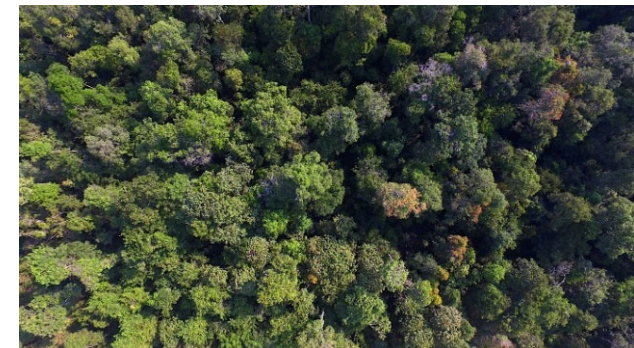
- In February 2021, INPEX entered into an agreement with conservation firm InfiniteEARTH to acquire five million tons worth of carbon credits over five years by supporting the Rimba Raya Biodiversity Reserve REDD+ Project. INPEX is supporting the construction of three Orangutan Release Camps. (A field survey to select suitable areas has been completed.)



Artificial photosynthesis panels installed in Darwin, Australia



Visual overview of the INPEX-Terra Drone Intelligent Drone Plan



Forest in the Rimba Raya Biodiversity Reserve REDD+ Project, Indonesia

# Progress against Medium-term Business Plan 2018-2022 and Outlook for FY2021/12 (1)



	First, Second and Third Years (Results) FY2019/3, FY2019/12 & FY2020/12	Fourth Year (Outlook) FY2021/12
<b>Business Target (1) Sustainable Growth of Oil and Natural Gas E&amp;P Activities</b>	<ul style="list-style-type: none"> <li>■ Ichthys LNG Project: Achieved rapid and steady ramp-up; continued stable production</li> <li>■ Abadi LNG Project: Preparations towards commencement of FEED in progress</li> <li>■ Abu Dhabi Oil Fields: Continued development work to increase production capacity</li> <li>■ Exploration: Progress in Abu Dhabi, Iraq, Norway and Gulf of Mexico, etc.; continued studies in the priority exploration areas and acquired new exploration blocks (Abu Dhabi, Australia and Norway)</li> </ul>	<ul style="list-style-type: none"> <li>■ Ichthys LNG Project: Continue stable production and accumulate technical and project management knowledge and experience</li> <li>■ Abadi LNG Project: Preparations towards commencement of FEED in progress, including CCS/CCUS considerations</li> <li>■ Abu Dhabi Oil Fields: Continue development work to increase production capacity. Commenced drilling in May at Block 4 as Operator</li> <li>■ Exploration activities: Maintain progress in Abu Dhabi, Iraq, Norway and Gulf of Mexico, etc.; continue studies in the priority exploration areas and acquire new exploration blocks</li> </ul>
<b>Business Target (2) Development of Global Gas Value Chain Business</b>	<ul style="list-style-type: none"> <li>■ Japan: Approx. 2.07 billion m3 of natural gas sales in 2020</li> <li>■ Overseas: Continued LNG/gas marketing for FID on Abadi LNG Project and initiatives to create new business for natural gas demand generation</li> </ul>	<ul style="list-style-type: none"> <li>■ Japan: Approx. 2.15 billion m3 of natural gas sales; signing of carbon neutral gas sales and purchase agreements with Nihonkai Gas, KIRYU GAS and the Joetsu City Gas and Water Bureau.</li> <li>■ Overseas: Continue progress in initiatives to create demand for natural gas. Received carbon-neutral LNG shipment at Naoetsu LNG Terminal from Ichthys LNG Project.</li> </ul>
<b>Business Target (3) Reinforcement of Renewable Energy Initiatives</b>	<ul style="list-style-type: none"> <li>■ Indonesia: Sarulla Geothermal Independent Power Producer (IPP) Project continued operation at total rated capacity of approximately 330MW</li> <li>■ Joined a consortium for a fixed-bottom wind project offshore Noshiro, Mitane and Oga in Akita Prefecture, Japan</li> <li>■ Continued fundamental research of methane synthesis technology</li> </ul>	<ul style="list-style-type: none"> <li>■ Promote geothermal power generation business. Proactively enter wind power generation business</li> <li>■ Participated in a consortium for the implementation of floating offshore wind power project in Goto City, Nagasaki, Japan; consortium selected as business operator in June 2021.</li> <li>■ Complete fundamental research of the methane synthesis technology; planning to scale up in stages.</li> </ul>

# Progress against Medium-term Business Plan 2018-2022 and Outlook for FY2021/12 (2)



		FY 2019/3 Results	FY 2019/12 Results (9 months)	FY 2020/12 Results	FY 2021/12 Outlook	FY 2022/12* Targets
Assumptions	Brent crude oil price (US\$/ barrel)	70.86	64.27	43.21	65.1	60.00
	Exchange rate (JPY/USD)	110.93	108.66	106.77	108.9	110.00
Financial Targets	Net sales (JPY)	971.3 billion	1,000.0 billion	771.0 billion	1,134.0 billion	Around 1,300.0 billion
	Net income (JPY)	96.1 billion	123.5 billion	-111.6 billion	170.0 billion	Around 150 billion
	ROE	3.2%	4.1%	-3.9%	Upper 5 percent range	5% or higher
Business Targets	Net Production Volume	424 thousand BOED	586 thousand BOED	573 thousand BOED	571 thousand BOED	700 thousand BOED
Cash Allocation / Shareholder Returns	Investment for Growth (JPY)	488.4 billion	243.2 billion	180.8 billion	Approx. 250.0 billion	JPY 1.7 trillion (guidance for the 5yr period)
	Annual dividend per share	JPY24	JPY30	JPY24	JPY40	<ul style="list-style-type: none"> <li>Maintain base dividend of at least JPY24 per share</li> <li>Enhance shareholder returns in stages in accordance with the improvement in the Company's financial performance</li> <li>Payout ratio: 30% or higher</li> </ul>
	Payout Ratio	36.5%	35.5%	N/A due to net loss	34.4%	

\* Final Year of the Mid-term Plan

Consolidated Financial Results  
for the year ended December 31, 2021

***INPEX***

Daisuke Yamada  
Director, Managing Executive Officer,  
Finance & Accounting

# Highlights of the Consolidated Financial Results for the six months ended June 30, 2021



	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Net sales (Billions of yen)	391.6	498.3	106.7	27.2%
Crude oil sales	246.3	375.3	129.0	52.4%
Natural gas sales (including LPG)	138.2	114.8	(23.4)	(16.9%)
Others	7.1	8.2	1.1	15.7%
Operating income (Billions of yen)	123.7	223.6	99.8	80.7%
Ordinary income (Billions of yen)	149.2	219.8	70.5	47.3%
Net income (loss) attributable to owners of parent (Billions of yen)	(120.7)	51.9	172.7	-
Net income (loss) per share* (Yen)	(82.73)	35.60	118.33	-

Average crude oil price (Brent) (\$/bbl)	42.10	65.23	23.13	54.9%
Average exchange rate (¥/\$)	108.25	107.82	0.43yen appreciation	0.4% appreciation

\* Average number of INPEX shares issued and outstanding during the six months ended June 30, 2021: 1,460,205,381



	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Net sales (Billions of yen)	246.3	375.3	129.0	52.4%

Sales volume (thousand bbl)	60,894	55,454	(5,440)	(8.9%)
Average unit sales price of overseas production (\$/bbl)	37.27	62.71	25.44	68.3%
Average unit sales price of domestic production (¥/kl)	31,382	45,004	13,622	43.4%
Average exchange rate (¥/\$)	108.41	107.92	0.49yen appreciation	0.5% appreciation

Sales volume by region (thousand bbl)	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Japan	335 (53.2 thousand kl)	273 (43.5 thousand kl)	(61) (-9.8 thousand kl)	(18.3%)
Asia & Oceania	7,209	7,685	476	6.6%
Eurasia (Europe & NIS)	8,486	8,083	(403)	(4.8%)
Middle East & Africa	42,925	38,002	(4,923)	(11.5%)
Americas	1,940	1,411	(529)	(27.2%)
Total	60,894	55,454	(5,440)	(8.9%)

# Natural Gas Sales (excluding LPG)



	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Net sales (Billions of yen)	136.7	113.3	(23.4)	(17.2%)

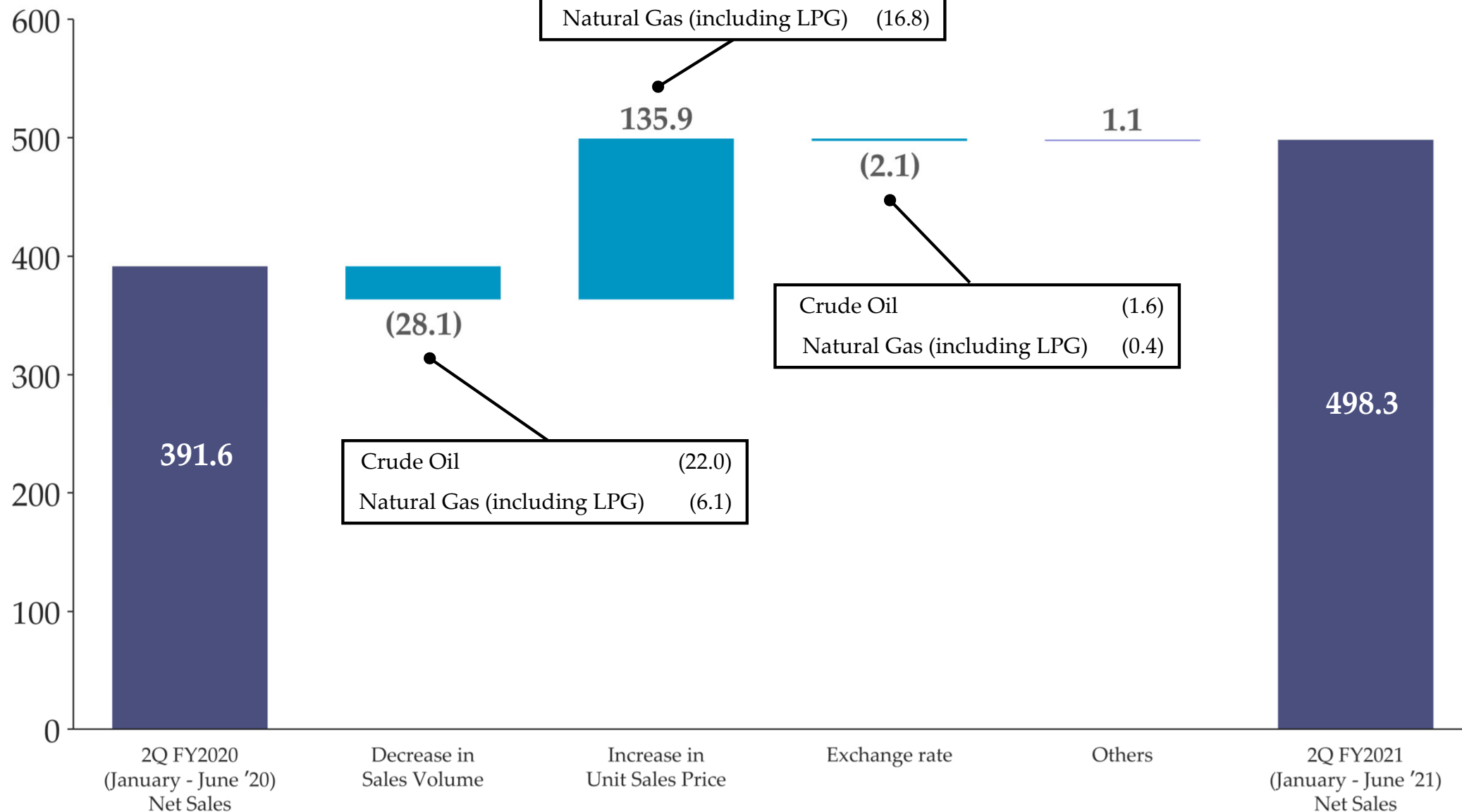
Sales volume (million cf)	222,856	203,293	(19,562)	(8.8%)
Average unit sales price of overseas production (\$/thousand cf)	4.17	3.84	(0.33)	(7.9%)
Average unit sales price of domestic sales (¥/m <sup>3</sup> )	50.65	41.04	(9.61)	(19.0%)
Average exchange rate (¥/\$)	108.45	107.72	0.73yen appreciation	0.7% appreciation

Sales volume by region (million cf)	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Japan	39,826 (1,067million m <sup>3</sup> *)	42,663 (1,143million m <sup>3</sup> *)	2,837 (+76million m <sup>3</sup> *)	7.1%
Asia & Oceania	168,905	147,078	(21,827)	(12.9%)
Eurasia (Europe & NIS)	4,853	4,685	(168)	(3.5%)
Middle East & Africa	-	-	-	-
Americas	9,272	8,868	(405)	(4.4%)
Total	222,856	203,293	(19,562)	(8.8%)

\* 1m<sup>3</sup>=41.8605MJ

# 2Q FY2021 Analysis of Net Sales Increase

(Billions of Yen)



# Statement of Income



(Billions of Yen)	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Net sales	391.6	498.3	106.7	27.2%
Cost of sales	226.0	233.7	7.7	3.4%
Gross profit	165.6	264.6	98.9	59.7%
Exploration expenses	4.6	2.2	(2.4)	(51.4%)
Selling, general and administrative expenses	37.1	38.6	1.4	4.0%
Operating income	123.7	223.6	99.8	80.7%
Other income	45.3	36.7	(8.6)	(19.1%)
Other expenses	19.9	40.5	20.6	103.7%
Ordinary income	149.2	219.8	70.5	47.3%
Extraordinary loss (Impairment loss)	192.4	-	(192.4)	(100.0%)
Total income taxes	78.2	176.0	97.7	124.9%
Net income (loss) attributable to non-controlling interests	(0.6)	(8.1)	(7.5)	-
Net income (loss) attributable to owners of parent	(120.7)	51.9	172.7	-

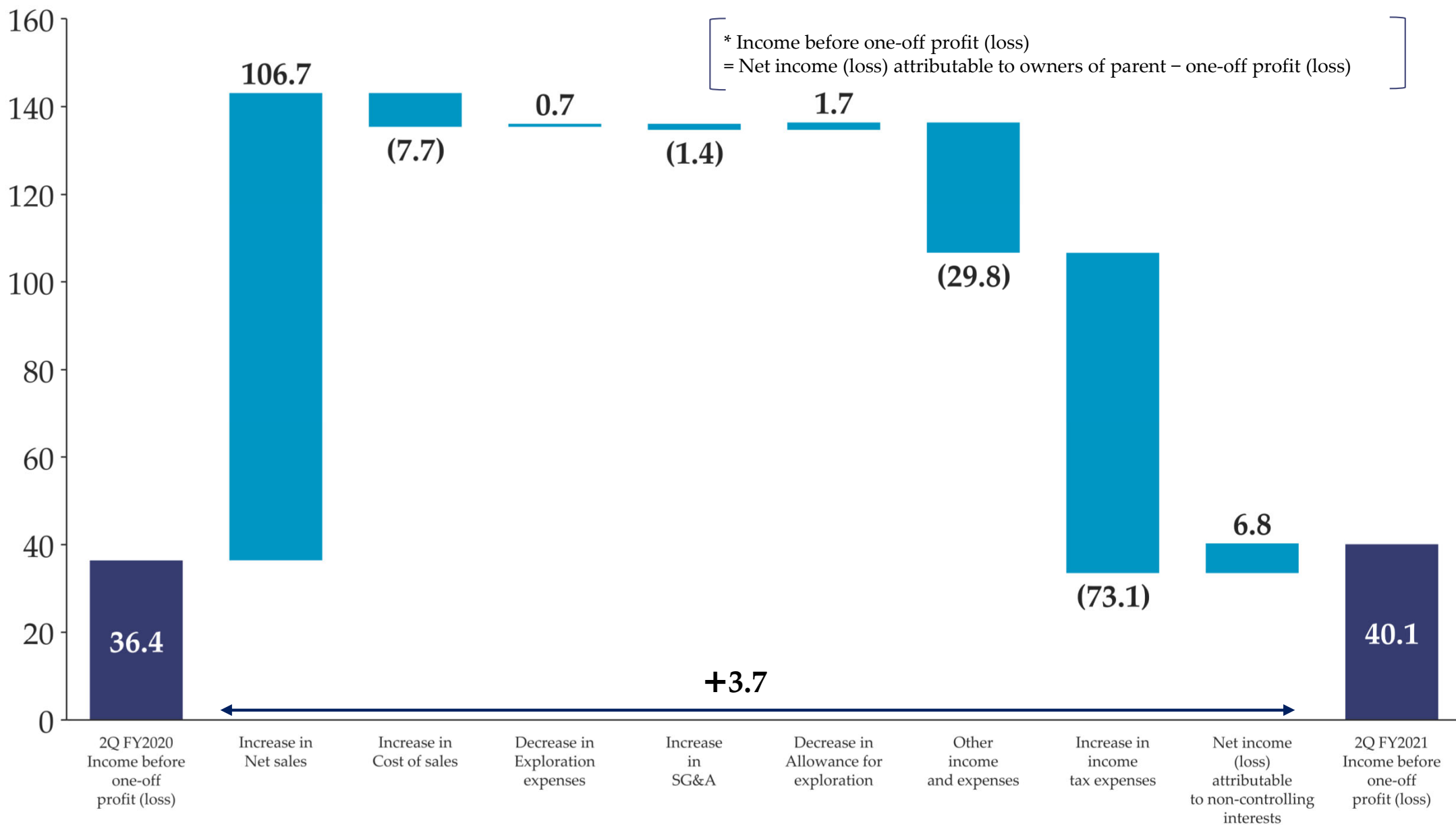
Decrease in sales volume :	(28.1)
Increase in unit sales price :	+135.9
Exchange rate:	(2.1)
Others :	+1.1

Cost of sales for Crude Oil:	159.2
(Change)	+20.9
Cost of sales for Natural Gas*:	68.0
(Change)	(13.8)
* Including LPG	

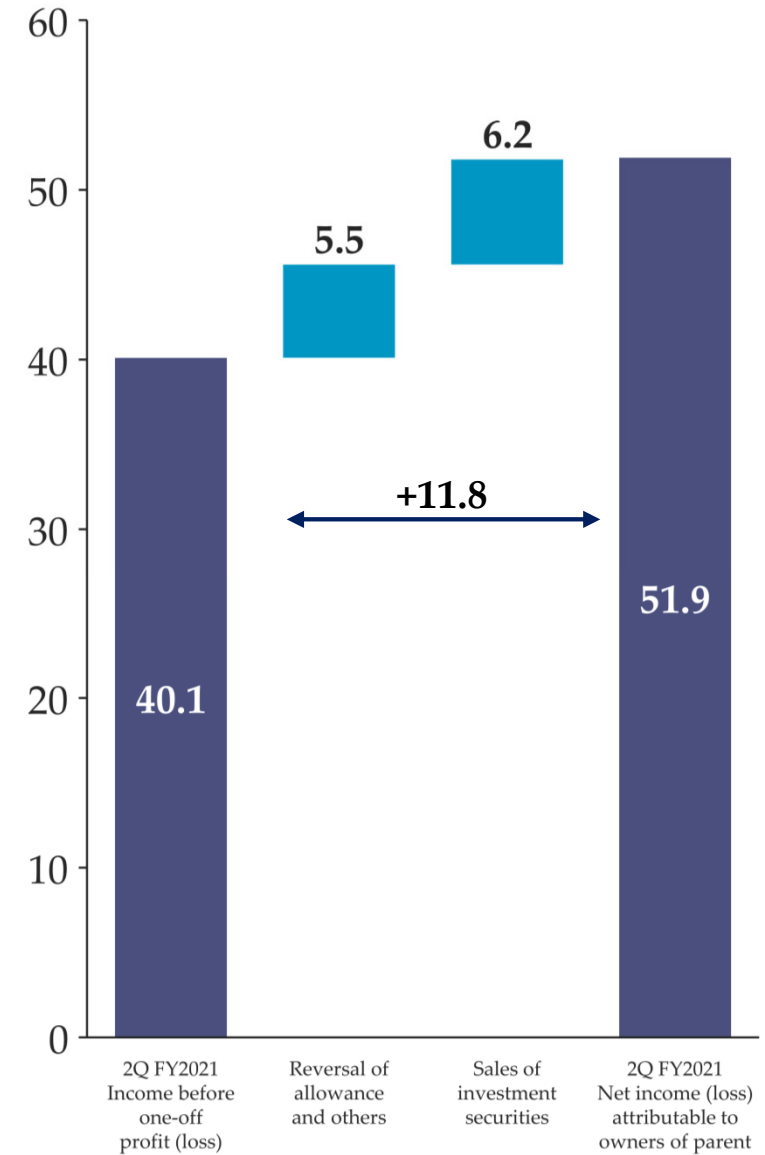
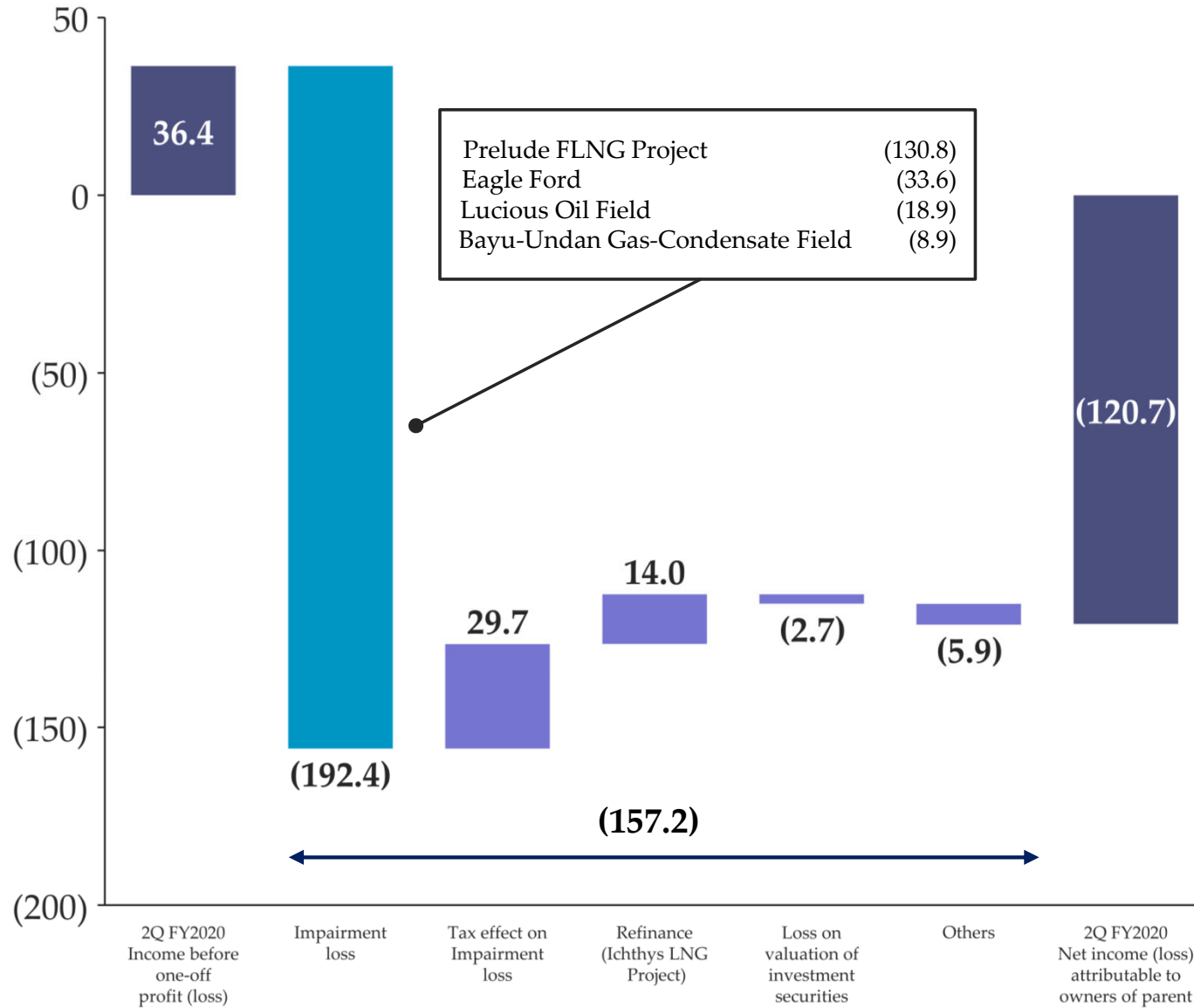
Main factors for change :	
Interest income	+13.8
Equity in earnings of affiliates	(30.7)
Foreign exchange gain	(3.7)

Main factors for change :	
Equity in losses of affiliates	+12.9
Foreign exchange loss	+10.6

(Billions of Yen)



(Billions of Yen)



(Billions of yen)	December 2020	June 2021	Change	% Change
Current assets	387.0	423.8	36.7	9.5%
Tangible fixed assets	2,069.7	2,185.0	115.2	5.6%
Intangible assets	441.8	449.3	7.5	1.7%
Recoverable accounts under production sharing	575.5	561.4	(14.1)	(2.5%)
Other	1,229.7	1,317.0	87.3	7.1%
Less allowance for recoverable accounts under production sharing	(69.4)	(65.0)	4.3	(6.3%)
<b>Total assets</b>	<b>4,634.5</b>	<b>4,871.6</b>	<b>237.1</b>	<b>5.1%</b>
Current liabilities	339.2	278.0	(61.2)	(18.1%)
Long-term liabilities	1,293.8	1,402.8	108.9	8.4%
<b>Total net assets</b>	<b>3,001.3</b>	<b>3,190.7</b>	<b>189.3</b>	<b>6.3%</b>
(Non-controlling interests)	264.7	261.8	(2.9)	(1.1%)
<b>Total liabilities and net assets</b>	<b>4,634.5</b>	<b>4,871.6</b>	<b>237.1</b>	<b>5.1%</b>
Net assets per share (Yen)	1,874.08	2,005.80	131.72	7.0%

Summary of financial information for Ichthys downstream JV (100% basis - the Company equity share is 66.245%) (Billions of yen)

- Current assets : 128.0
- Fixed assets : 3,640.8
- Total assets: 3,768.9

\*Fixed Assets include interest expenses for qualified assets under the accounting standards as well as investments before FID.

The total of long-term loans and short-term loans is 1.1 trillion yen.

Adding the off-balanced net loans of Ichthys downstream JV brings the total of INPEX net loans to be 2.1 trillion yen (as of June 2021).

(Billions of yen)

Total shareholders' equity: +34.8  
Accumulated other comprehensive income : +157.4

- Unrealized gain (loss) from hedging instruments: +14.6
- Translation adjustments: +142.4

# Statement of Cash Flows



(Billions of Yen)	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)
Income (loss) before income taxes	(43.1)	219.8
Depreciation and amortization	88.8	77.2
Impairment loss	192.4	-
Recovery of recoverable accounts under production sharing (capital expenditures)	14.8	28.2
Recoverable accounts under production sharing (operating expenditures)	(1.2)	(0.6)
Income taxes paid	(121.4)	(127.8)
Other	43.2	(18.3)
<b>Net cash provided by (used in) operating activities</b>	<b>173.5</b>	<b>178.6</b>
Payments for time deposits / Proceeds from time deposits	(54.1)	-
Payments for purchases of tangible fixed assets	(68.2)	(63.5)
Payments for purchases of marketable securities/investment securities and proceeds from sales of marketable securities/investment securities	0.8	16.0
Investment in recoverable accounts under production sharing (capital expenditures)	(18.9)	(13.6)
Long-term loans made / Collection of long-term loans receivable	(25.4)	(1.9)
Payments for acquisitions of participating interests	-	(1.4)
Other	(1.9)	(1.2)
<b>Net cash provided by (used in) investing activities</b>	<b>(167.7)</b>	<b>(65.8)</b>
<b>Net cash provided by (used in) financing activities</b>	<b>124.0</b>	<b>(125.4)</b>
Cash and cash equivalents at end of the period	303.1	171.3



Consolidated Financial Forecasts  
for the year ending December 31, 2021



Daisuke Yamada  
Director, Managing Executive Officer,  
Finance & Accounting

## ■ Assumptions

(May 13, 2021)	1 <sup>st</sup> half (Previous Forecasts)
Crude oil price (Brent) (US\$/bbl)	60.7
Exchange rate (yen/US\$)	107.1



(August 10, 2021)	1 <sup>st</sup> half (Actual Results)
Crude oil price (Brent) (US\$/bbl)	65.2
Exchange rate (yen/US\$)	107.8

## ■ Differences between Consolidated Financial Forecasts and Actual Results for the six months ended June 30, 2021

	Previous Forecasts (May 13, 2021)	Actual Results	Change	% Change
Net Sales (billions of yen)	484.0	498.3	14.3	3.0%
Operating income (billions of yen)	206.0	223.6	17.6	8.5%
Ordinary income (billions of yen)	201.0	219.8	18.8	9.4%
Net income attributable to owners of parent (billions of yen)	45.0	51.9	6.9	15.3%

■ Assumptions

(May 13, 2021)	1 <sup>st</sup> half (Jan-Jun)	2 <sup>nd</sup> half (Jul-Dec)	Full year
Crude oil price (Brent) (US\$/bbl)	60.7	60.0	60.3
Exchange rate (yen/US\$)	107.1	108.0	107.5



(August 10, 2021)	1 <sup>st</sup> half (Jan-Jun)	2 <sup>nd</sup> half (Jul-Dec)	Full year
Crude oil price (Brent) (US\$/bbl)	65.2	65.0	65.1
Exchange rate (yen/US\$)	107.8	110.0	108.9

■ Financial Forecasts for the year ending December 31, 2021

	Previous forecasts (May 13, 2021)	Revised forecasts (August 10, 2021)	Change	% Change
Net sales (billions of yen)	1,055.0	1,134.0	79.0	7.5%
Operating income (billions of yen)	452.0	513.0	61.0	13.5%
Ordinary income (billions of yen)	483.0	545.0	62.0	12.8%
Net income attributable to owners of parent (billions of yen)	140.0	170.0	30.0	21.4%

■ Dividend per share

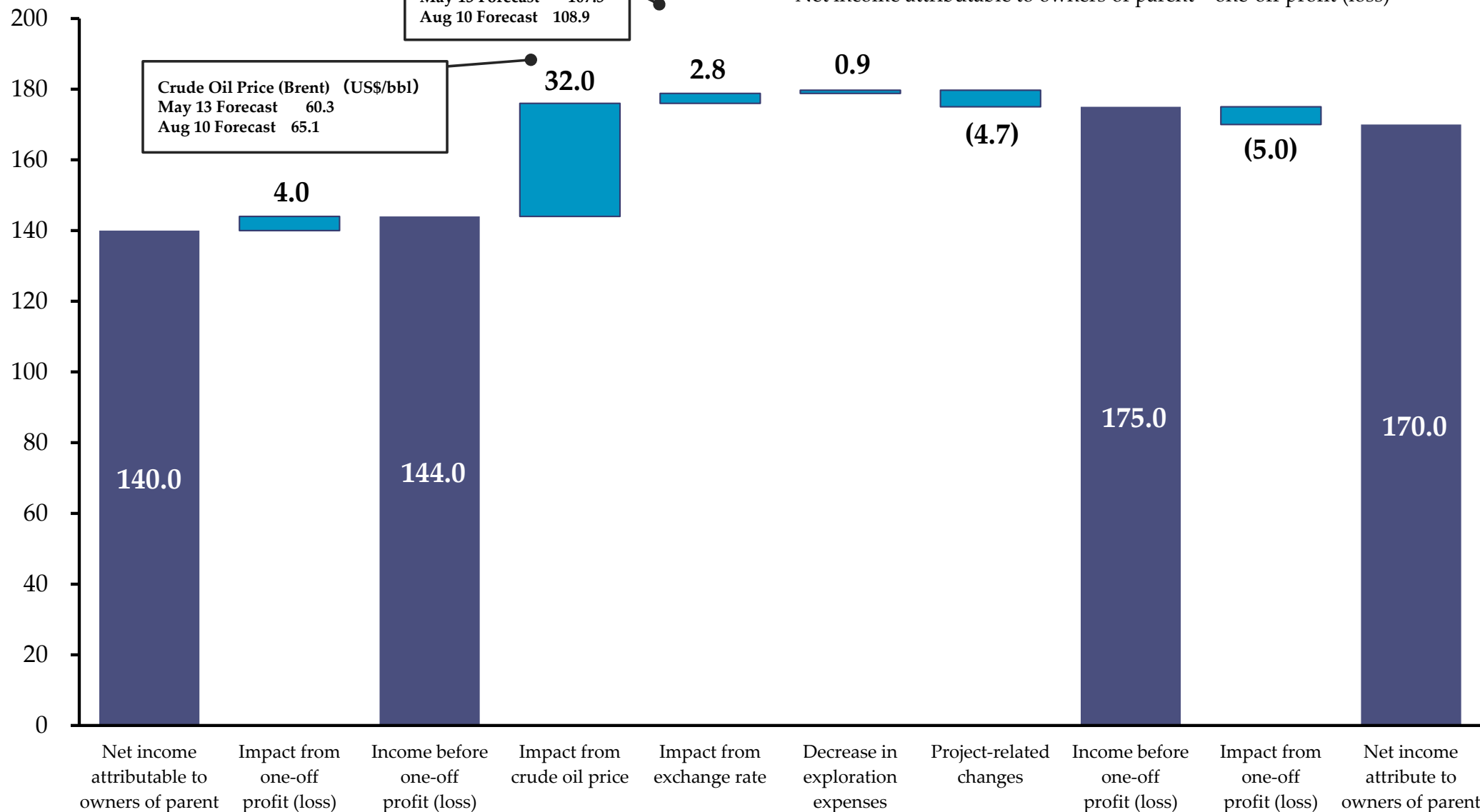
End of 2Q	End of fiscal year (forecast)	Full year (forecast)
¥20.00	¥20.00	¥40.00

# FY2021 Financial Forecasts

## Analysis of Net Income



(Billions of Yen)



Exchange Rate (yen/US\$)  
 May 13 Forecast 107.5  
 Aug 10 Forecast 108.9

Crude Oil Price (Brent) (US\$/bbl)  
 May 13 Forecast 60.3  
 Aug 10 Forecast 65.1

\* Income before one-off profit (loss)  
 = Net income attributable to owners of parent – one-off profit (loss)

**Income before one-off profit (loss) +31.0**

(Previous forecasts  
 May 13, 2021)

(Previous forecasts  
 May 13, 2021)

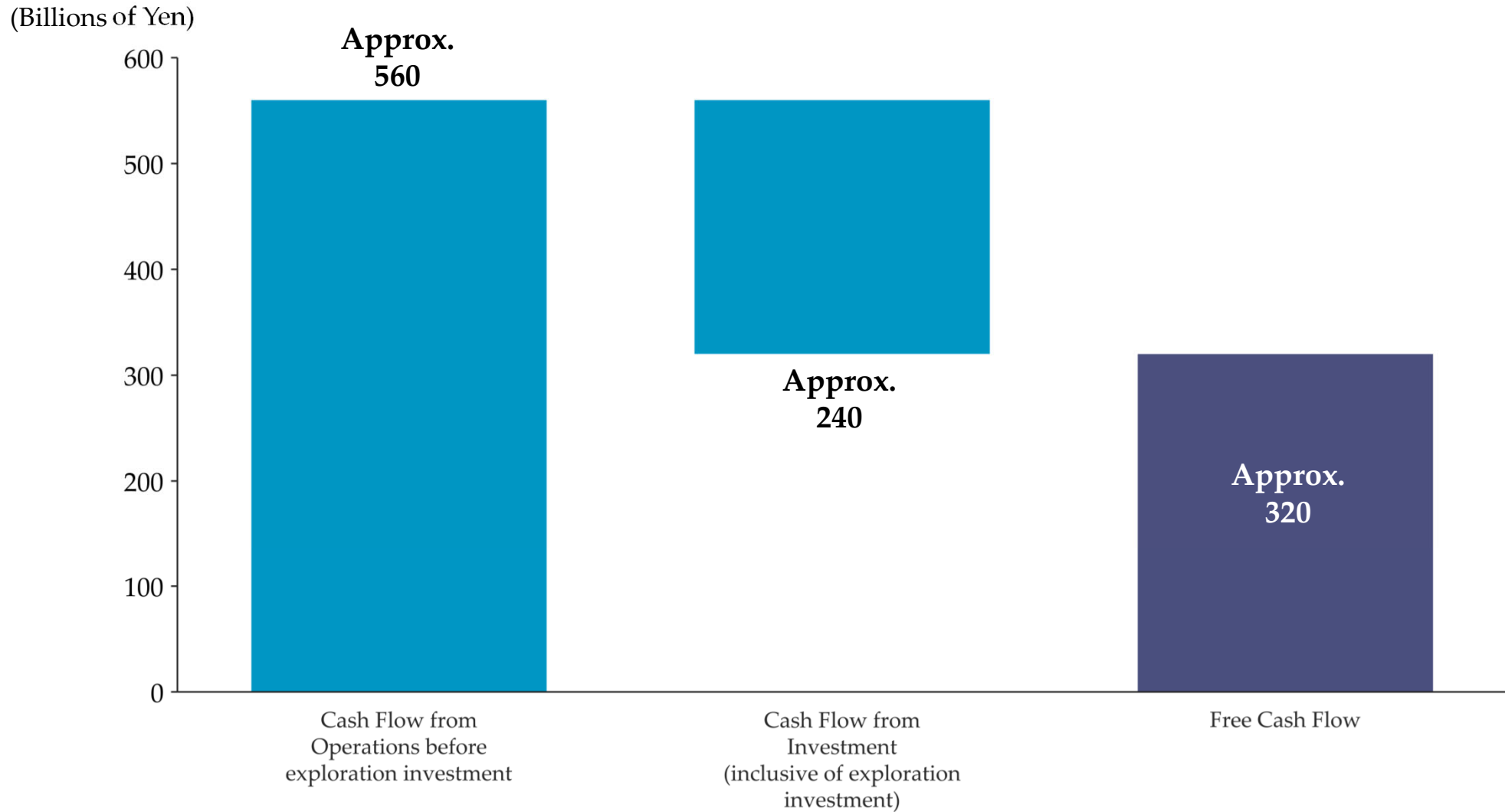
(Previous forecasts  
 May 13, 2021)

(Revised forecasts  
 Aug 10, 2021)

(Revised forecasts  
 Aug 10, 2021)

(Revised forecasts  
 Aug 10, 2021)

- Approximately ¥320 billion in free cash flow\* forecasted for FY2021.



\* Including the Ichthys Downstream IJV (Incorporated Joint Venture)