

INPEX CORPORATION

Financial Results
for the year ended December 31, 2022

February 10, 2023



- Business Overview
- Consolidated Financial Results for the year ended December 31, 2022
- Consolidated Financial Forecasts for the year ending December 31, 2023

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.

Business Overview

INPEX

Takayuki Ueda
Representative Director, President & CEO

Oil and Gas Business

Projects in Production

- Ichthys LNG (Australia)
 - Planned shutdown maintenance works completed safely and as planned between July to August 2022.
 - 112 LNG cargoes shipped in 2022.
 - Net production volume (INPEX equity portion): 240 thousand barrels per day (average between October and December 2022).
 - Net income contribution of Ichthys (including Ichthys LNG Pty Ltd): approximately 290.0 billion yen.
- Offshore Oil Fields & Onshore Concession (Abu Dhabi)
 - Conducted operations based on existing development plans and conducted studies to consider further production increase.
- Snorre Oil Field etc. (Norway)
 - Conducted stable production operations at a production volume of approximately 33 thousand barrels per day (average between October and December 2022 for INPEX Idemitsu Norge equity portion).

Pre-FID Projects

- Abadi LNG: Conducted a comprehensive study to make the project cleaner through the introduction of CCUS, etc.
- Continued negotiations with the Indonesian government and concerned parties for the re-revision of the plan of development.

Exploration Projects

- Conducted exploration and appraisal work at Abu Dhabi Onshore Block 4. Evaluating early production.
- Discovered oil and gas deposits at Offshore Block PL293B in Norway. Will proceed with the data analysis and evaluate opportunities for development.
- Commenced exploratory drilling at a location north of the Minami-Nagaoka Gas Field (planned between December 2022 and July 2023).

Divestments

- Divested from Angola Block 14.
- Divested from Lucius and Hadrian North Fields in US Gulf of Mexico.
- Divested from tight oil development and production in Texas, USA in January 2023.

Marketing

- Entered an LNG sales and purchase agreement with Venture Global LNG.



Ichthys Onshore LNG Plant



Abu Dhabi Onshore Concession
Oil processing facility



Minami Nagaoka Gas field (Japan)

5 Net Zero Businesses

Hydrogen & Ammonia

- Took a final investment decision on drilling operations and the construction of facilities for the integrated demonstration of hydrogen and ammonia production and usage in Kashiwazaki City, Niigata Prefecture, Japan.
- Commenced feasibility studies for green hydrogen production projects in South Australia and New South Wales with Australian energy provider AGL Energy.

CCS & CCUS

- Awarded a greenhouse gas storage assessment permit (G-7-AP) offshore the Northern Territory, Australia towards the implementation of CCS at Ichthys LNG.
- Conducted preparation work for CO₂ enhanced oil recovery demonstration tests in Agano City, Niigata Prefecture, Japan.

Renewable Energy

- Acquired stakes in geothermal power projects in Indonesia (Rantau Dedap and Rajabasa as well as additional stakes in Muara Laboh) and offshore wind power projects in Europe (Luchterduinen and Borssele III/IV) etc.
- INPEX GEOTHERMAL opened a new office in Jakarta for the purpose of conducting geothermal business operations in Indonesia.
- Resolved to enter the construction phase for the geothermal power project in the Oyasu Area of Yuzawa City, Akita Prefecture, Japan.
- Commenced development work for the floating offshore wind power project in Nagasaki Prefecture, Japan.
- Reached 291MW in renewable power generating capacity (INPEX equity portion) as of December 31, 2022. (Medium-term Business Plan target: 500MW).

Carbon Recycling & New Business

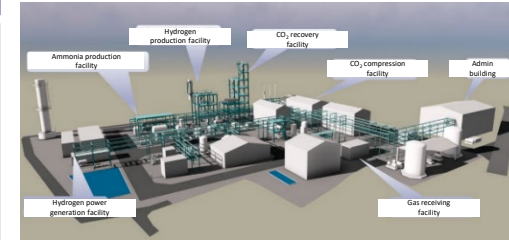
- Conducted engineering work for the methanation demonstration facility in Nagaoka City, Niigata, Japan with a production capacity of 400 normal cubic meters per hour.
- Won first place at an international artificial photosynthesis competition in partnership with the University of Tokyo and with the support of ARPCHEM.

Forest Conservation

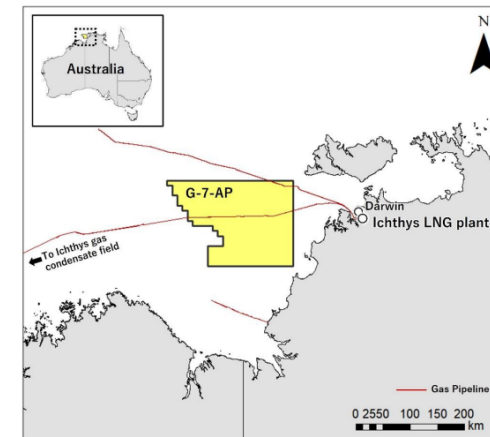
- Worked towards acquiring 1.5 million tons of carbon credits in 2024.

Other Initiatives

- Inaugurated the INPEX Research Hub for Energy Transformation (I-RHEX).



Integrated demonstration project of hydrogen & ammonia production in Kashiwazaki City, Niigata, Japan (rendering of completed plant)

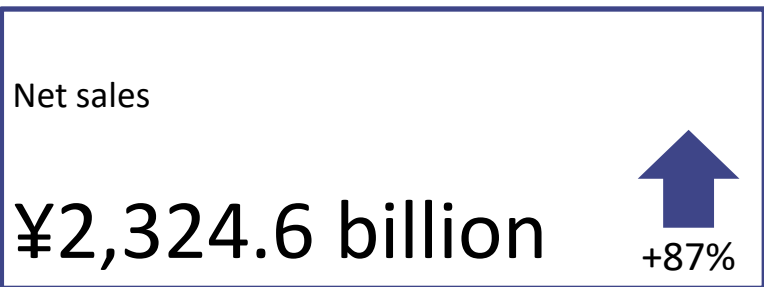
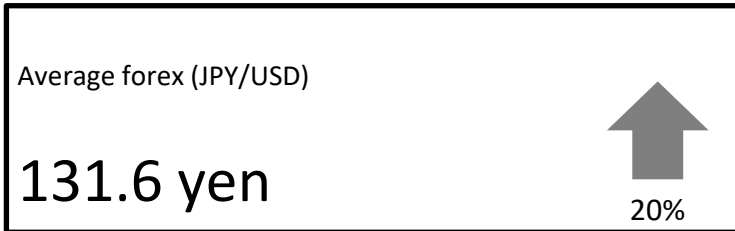
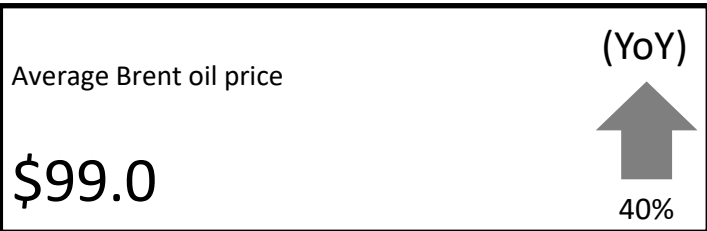


Location of the greenhouse gas storage assessment permit (G-7-AP)

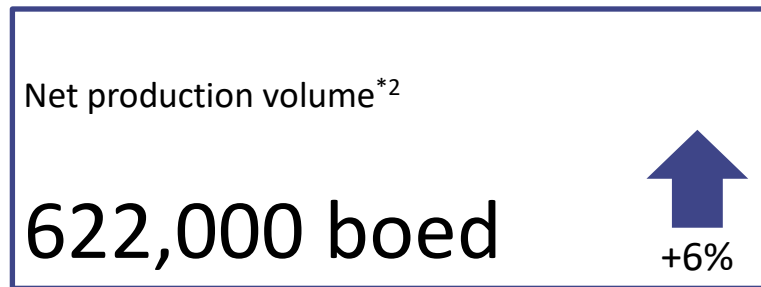


Rantau Dedap Geothermal Power Plant (Indonesia)

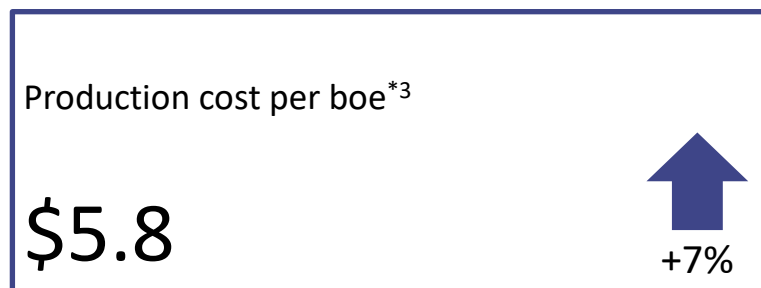
External Environment



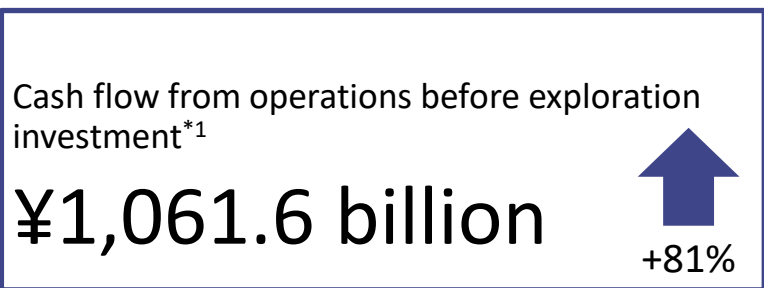
Increased sales volume, weaker yen, increased unit price etc.



Relaxed production cut by OPEC+, acquisition of Norwegian assets etc.



Acquisition of Norwegian assets etc.



*1 Including cashflow of Ichthys LNG Pty Ltd, the Ichthys Downstream IJV (Incorporated Joint Venture), an equity method affiliate *2 Barrel of oil equivalent, per day *3 Excluding royalties

Oil and Gas Business

Projects in Production

- Ichthys LNG (Australia)
 - No large-scale shutdown maintenance work planned for 2023.
 - Approximately 11 LNG cargo shipments per month expected for 2023.
 - Forecasted net income contribution of Ichthys (including Ichthys LNG Pty Ltd): approximately 210.0 billion yen.
 - Sustain debottlenecking efforts to lift facility capacity constraints to increase LNG production capacity to 9.3 million tons per annum.
 - Accelerate participation in exploration assets and discovered assets in the vicinity of the Ichthys Field with a view to expand Ichthys LNG and ensure a sustained production volume over the long term. Aim to further increase the production volume with a view to expand Ichthys LNG in around 2030.
- Offshore Oil Fields & Onshore Concession (Abu Dhabi)
 - Conduct operations based on the existing development plan. Continue to conduct studies to consider further production increase.
 - Announcement of UAE Commitment Statement (Board meeting held in Abu Dhabi on January 24, 2023).
- Snorre Oil Field etc. (Norway)
 - Commence the supply of power from the Hywind Tampen floating offshore wind power facility to the Snorre project planned in mid-2023.

Pre-FID Projects

- Continue negotiations with the Indonesian government to re-revise the plan of development (POD) for Abadi inclusive of CCS in order to make the project cleaner from the viewpoints of long-term competitiveness and sustainability.
- Sequentially restart Abadi project activities on site upon approval of the Indonesian government, aiming to take final investment decision in the latter half of 2020s and commence production in the early 2030s.



Ichthys LNG Project
CPF (Central Processing Facility)



Abu Dhabi Offshore Oil Fields
Zirku Island (oil processing facility)



Snorre Project's offshore production facility
(Norway)

©Equinor

5 Net Zero Businesses

Hydrogen & Ammonia

- Commence the drilling of wells and construction of facilities for the integrated demonstration of hydrogen and ammonia production and usage in Kashiwazaki City, Niigata Prefecture, Japan on which INPEX took a final investment decision in 2022.

CCS & CCUS

- Conduct evaluation and appraisal work for the greenhouse gas storage assessment permit G-7-AP acquired in 2022 in Australia. Continue to conduct joint research with JOGMEC toward the application of CCS at LNG operations.
- Promote initiatives for the commercialization of CCS in Japan.

Renewable Energy

- Continue stable operations at the geothermal and wind power projects. Aim to expand business domestically and globally.

Carbon Recycling & New Business

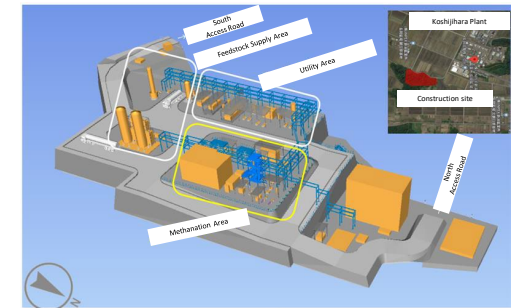
- Conduct EPC work on the methanation demonstration facility in Nagaoka City, Niigata, Japan with a production capacity of 400 normal cubic meters per hour.

Forest Conservation

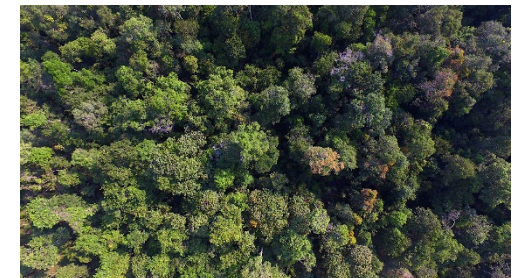
- Aim to acquire 1.5 million tons of carbon credits in 2024 and participate in projects by 2024.



Muara Laboh Geothermal Power Plant
(Indonesia)



400Nm³/h Methanation Testing Facility
(a graphic illustration)



Rimba Raya REDD+ Project (Indonesia)

Highlights of FY2023 Financial Forecasts



External Environment

Assumed average Brent oil price

(YoY)

\$75.0

▲24%

Assumed average forex (JPY/USD)

125.0 yen

▲5%

Net sales

¥1,885.0 billion

▲19%

Net production volume^{*2}

639,000 boed

+3%

Stable operations at Ichthys etc.

Net income

¥270.0 billion

▲38%

Production cost per boe^{*3}

\$5.5

▲5%

Reduced operation cost etc., increased production volume at Ichthys etc.

Cash flow from operations before exploration investment^{*1}

About **¥800.0 billion**

▲25%

Free cash flow^{*1}

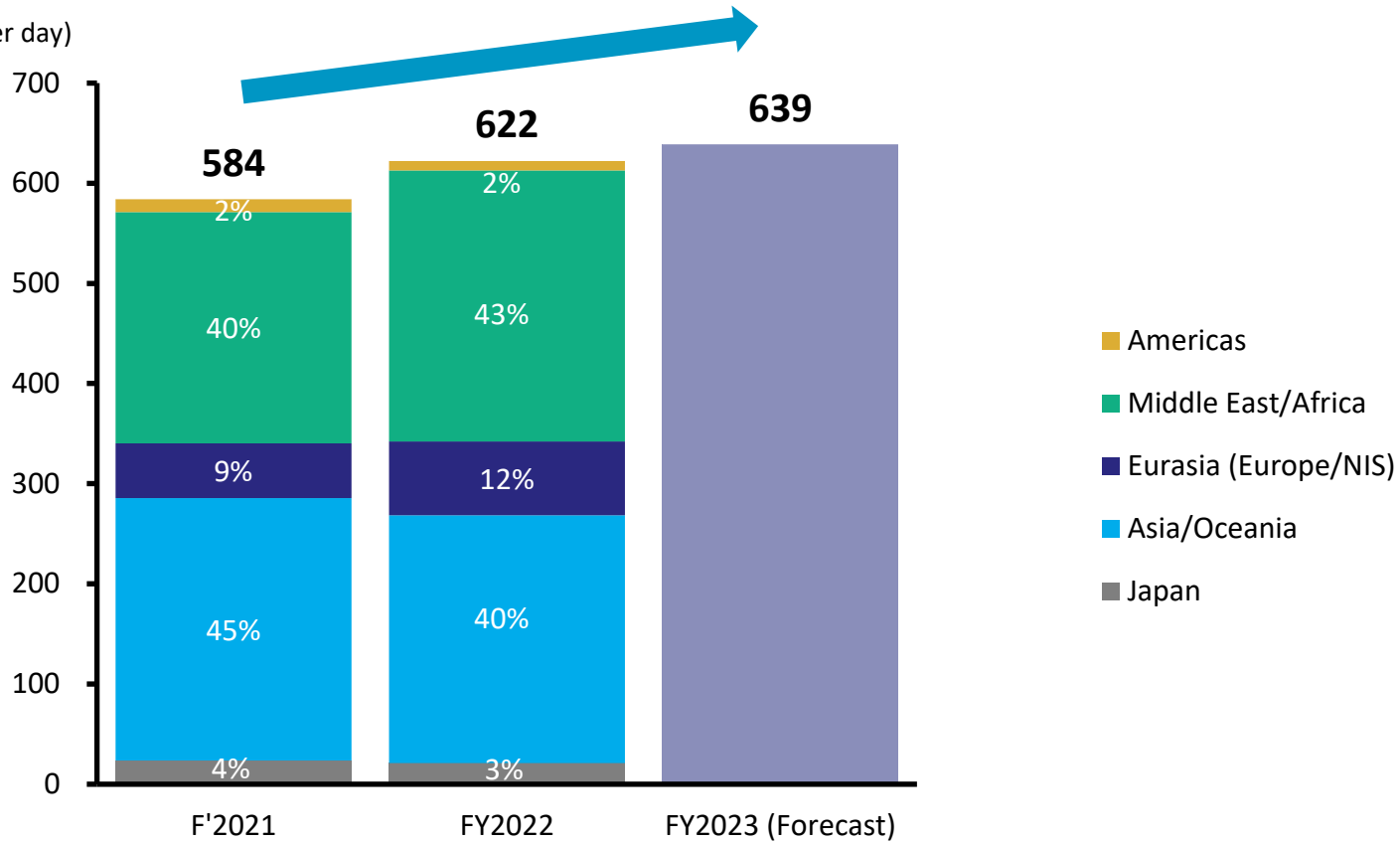
About **¥290.0 billion**

▲58%

*1 Including cashflow of Ichthys LNG Pty Ltd, the Ichthys Downstream IJV (Incorporated Joint Venture), an equity method affiliate *2 Barrel of oil equivalent, per day *3 Excluding royalties

- Net production volume of oil and gas

(thousand boe per day)



* The production volume under the production sharing contracts entered into by the INPEX Group corresponds to the net economic take of the INPEX Group.

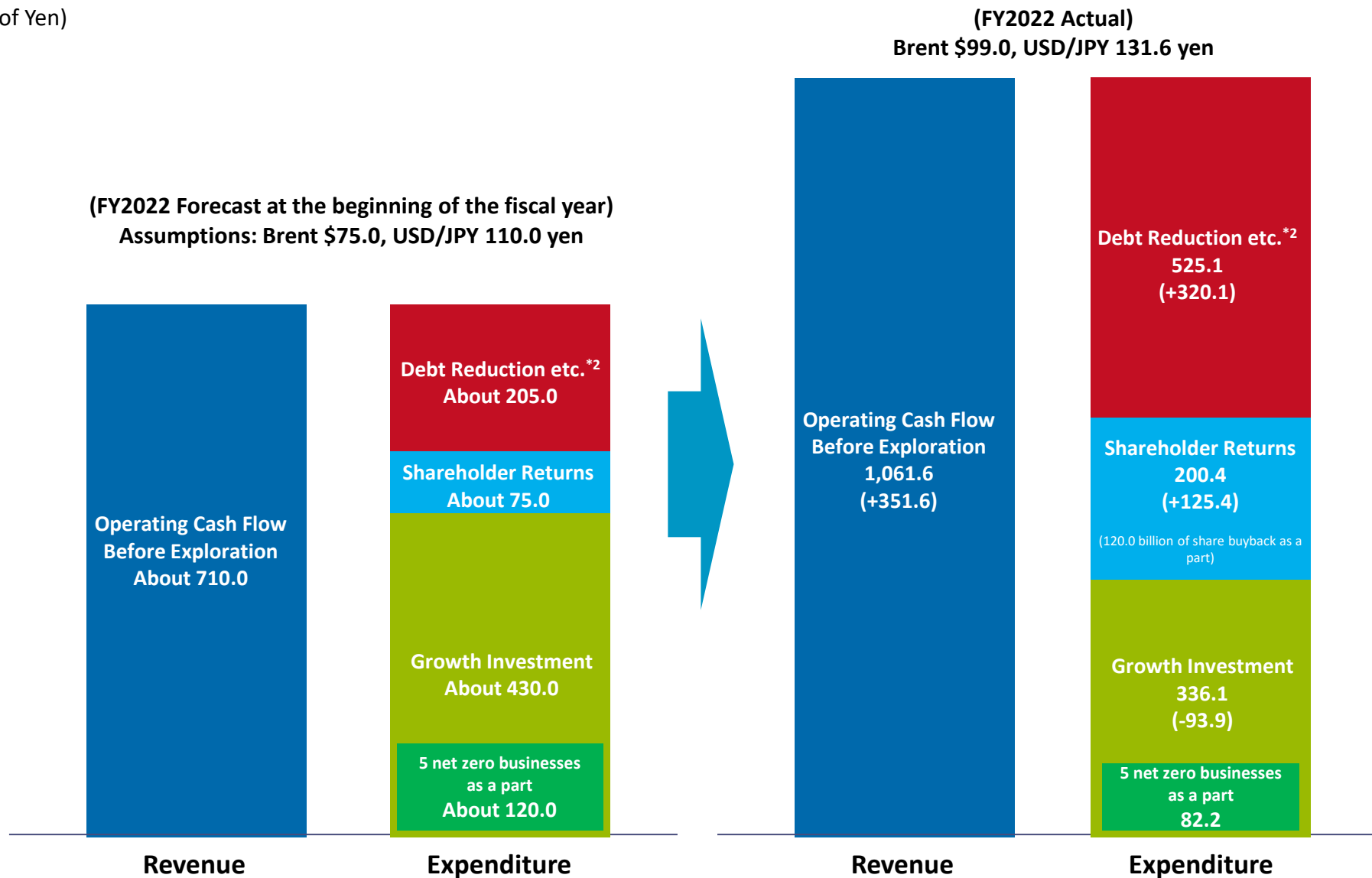
Note: Electric power generation capacity using renewable energy for INPEX's share as of December 31, 2022 is 291MW (Medium-term Business Plan target: 500MW)

- In 2022, INPEX maintained stable operations at Ichthys LNG, conducted operations to increase the production capacity of its Abu Dhabi projects and divested from certain upstream assets to optimize its portfolio. In addition, INPEX engaged in initiatives associated with the energy transition including the acquisition of geothermal power projects in Indonesia, offshore wind power projects in Europe and a greenhouse gas storage assessment permit in Australia. In 2022, the company made steady progress towards achieving its business plan targets.
- In 2023, INPEX will further strengthen its business framework with the aim of establishing a value chain for its 5 net zero businesses in addition to its oil and gas business, as it seeks to achieve the targets outlined in INPEX Vision @2022.

		FY2021 (Actual)	FY2022 (Actual)	FY2023	FY2024 Targets	
Assump- tions	Brent Oil Price (US\$ per barrel)	70.95	99.00	75.00	US\$60	US\$70
	Exchange rate (JPY/US\$)	109.90	131.60	125.00	110	110
Management Targets	Net income attributable to owners of parent	¥223.0 billion	¥438.2 billion	¥270.0 billion	¥170.0 billion	¥240.0 billion
	Operating Cashflow before exploration* ¹ <small>*1 Includes Ichthys downstream Incorporated Joint Venture and differs from institutional accounting basis</small>	¥586.8 billion	¥1,061.6 billion	About 800.0 billion	¥600.0 billion	¥700.0 billion
	ROE	7.6%	12.7%	Around 7%	Around 6.0%	Around 8.0%
	Net debt/equity ratio <small>*Includes Ichthys downstream Incorporated Joint Venture and differs from institutional accounting basis</small>	65%	46%	Around 39%	50% or less	50% or less
Business Targets	Net production volume (boed)	584 thousand	622 thousand	639 thousand	Level exceeding 700 thousand BOED	
	Production cost per barrel (excluding royalties)	US\$5.4	US\$5.8	US\$5.5	Reduction towards US\$5 per barrel or below	
	Net Carbon Intensity* ² <small>*2 (equity share emissions volume (Scope 1 + 2) - offset) / (net production volume of upstream oil & gas business + electricity generated using renewable energy)</small>	33kg/boe	28kg/boe (Provisional figure)	Reduction of 2/3 of the FY2024 target or more	Reduction of 10% (4.1kg/boe) or more over a 3-year period towards 2030 target* ³ <small>*3 2030 target: Reduction of 2019 net carbon intensity (41.1kg/boe) by over 30%</small>	
	Safety	Zero major accidents	Zero major accidents	Zero major accidents	Zero major accidents* ⁴ <small>*4 Fatalities, major leaks and serious injuries, etc. at INPEX-operated projects</small>	

FY2022 Cash Allocation of Operating Cash Flow before Exploration*1

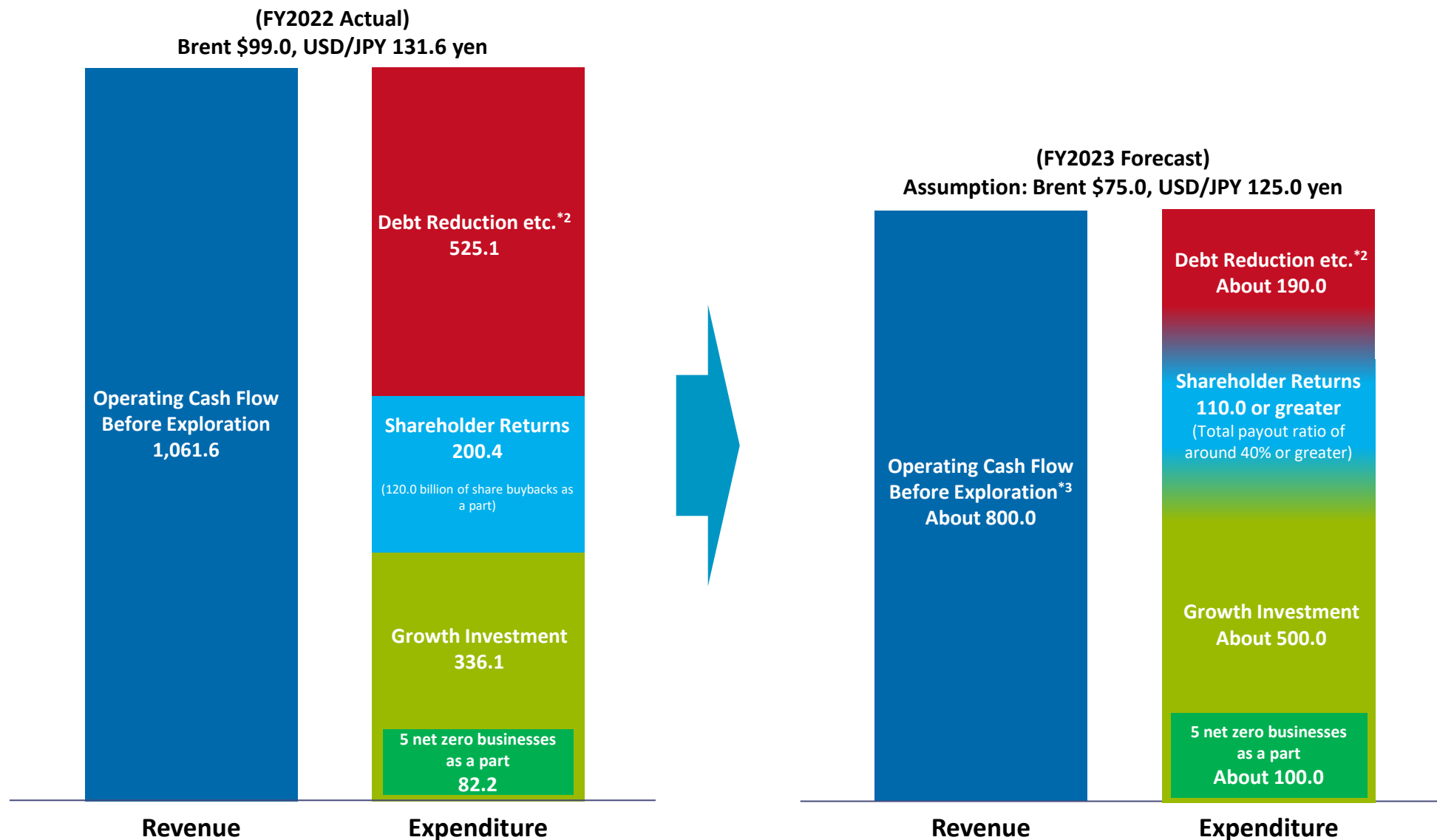
(Billions of Yen)



*1 Including cashflow of Ichthys LNG Pty Ltd, the Ichthys Downstream IJV (Incorporated Joint Venture), an equity method affiliate

*2 Including increase of cash and deposits etc.

FY2023 Cash Allocation Forecast of Operating Cash Flow before Exploration*1



*1 Including cashflow of Ichthys LNG Pty Ltd, the Ichthys Downstream IJV (Incorporated Joint Venture), an equity method affiliate

*2 Including increase of cash and deposits etc.

*3 Figure after deducting R&D costs of approximately 8.0 billion yen related to activities including the integrated demonstration of hydrogen & ammonia production in Kashiwazaki City, Niigata Prefecture, Japan and the methanation project.


- Medium-term Business Plan 2022-2024

- Strengthen shareholder returns in accordance with growth in financial performance, with stable dividends as a basis
 - ✓ Aim for a total payout ratio of around 40% or greater
 - ✓ Implement share buybacks based on business environment, financial base and management conditions, etc.
 - ✓ Set minimum annual dividend per share of 30 JPY even in case of short-term deterioration of business environment, etc.

- FY2022 Actuals

- Total payout ratio of 46.4%

DPS (Dividend per Share) (YoY)

¥62  +¥14


Share Buyback

¥120.0 billion  +¥50.0 billion

- FY2023 Forecast

- Total payout ratio of 40%~

DPS (Dividend per Share)

¥64  +¥2

Consider additional shareholder returns based on business environment, financial base and management conditions, etc.

Environment

- Received an A- score in the CDP 2021 climate change disclosure
- Recognized as environmentally sustainable company in Ministry of the Environment's ESG Finance Award Japan
- Updated INPEX's HSE Policy and established environment-related commitments for biodiversity, water and waste



Social

- Established INPEX's Supplier Code of Conduct
- Engaged in social investment activities globally of approximately 2.0 billion yen (in 2021)
- Achieved the targets set in the Reconciliation Action Plan 2019-2022 published in Australia
- Established INPEX JODCO Foundation with an endowment of 3.0 billion yen to strengthen social contribution efforts in the UAE (in January 2023)



Governance

- Strengthened diversity of the Board of Directors, disclosed skill matrix
- Introduced a compensation system for Directors in line with the Medium-term Business Plan, improved information disclosure



Climate Change Response Goals

2050

NET ZERO^{*1}

in absolute emissions
(Scope 1+2)

*1 on INPEX equity share basis

2030

30% OR MORE^{*2}

reduction of net carbon intensity
(Scope 1+2)

*2 in comparison with 2019

Scope 3

REDUCTION

work together with
all relevant stakeholders to
address challenges
across the value chains

Medium-term Business Plan Targets

- Reduction of 10% (4.1kg/boe) or more over a 3-year period towards 2030 target

Activities in 2022

- Emission reduction
 - Carbon intensity (Scope1+2): 28kg-CO₂e/boe (2022, provisional figure), 33kg-CO₂e/boe (2021)
 - Methane emissions intensity: 0.06% (2022, provisional figure), 0.04% (2021)
- Signed a statement of commitment to a net zero emissions future with the Northern Territory Government, Australia
- Signed gas carbon neutralization agreements with multiple parties

**Consolidated Financial Results
for the year ended December 31, 2022**



Daisuke Yamada
Director, Managing Executive Officer,
Finance & Accounting

Highlights of the Consolidated Financial Results for the year ended December 31, 2022



	FY2021	FY2022	Change	% Change
Net sales (Billions of yen)	1,244.3	2,324.6	1,080.2	86.8%
Crude oil sales	905.1	1,778.6	873.4	96.5%
Natural gas sales (including LPG)	320.5	525.1	204.5	63.8%
Others	18.5	20.8	2.2	12.1%
Operating income (Billions of yen)	590.6	1,246.4	655.7	111.0%
Ordinary income (Billions of yen)	657.6	1,438.2	780.6	118.7%
Net income attributable to owners of parent (Billions of yen)	223.0	438.2	215.2	96.5%
Net income per share* (Yen)	153.87	320.69	166.83	108.4%

* Average number of INPEX shares issued and outstanding during the year ended December 31, 2022: 1,366,647,207

Average crude oil price (Brent) (\$/bbl)	70.95	99.04	28.09	39.6%
Average exchange rate (¥/\$)	109.90	131.64	21.74yen depreciation	19.8% depreciation

		FY2021	FY2022	Change	% Change
Crude Oil	Net sales (Billions of yen)	905.1	1,778.6	873.4	96.5%
	Sales volume (thousand bbl)	120,118	138,116	17,998	15.0%
	Average unit price of overseas sales (\$/bbl)	68.43	97.71	29.28	42.8%
	Average unit price of domestic sales (¥/kl)	50,014	80,483	30,469	60.9%
	Average exchange rate (¥/\$)	110.09	131.80	21.71yen depreciation	19.7% depreciation
Natural Gas (excluding LPG)	Net sales (Billions of yen)	313.6	521.6	207.9	66.3%
	Sales volume (million cf)	464,805	442,416	(22,389)	(4.8%)
	Average unit price of overseas sales (\$/thousand cf)	4.96	7.17	2.21	44.6%
	Average unit price of domestic sales (¥/m ³)	45.73	82.73	37.00	80.9%
	Average exchange rate (¥/\$)	110.16	131.41	21.25yen depreciation	19.3% depreciation
LPG	Net sales (Billions of yen)	6.8	3.4	(3.4)	(49.7%)
	Sales volume (thousand bbl)	710	109	(601)	(84.7%)
	Average unit price of overseas sales (\$/bbl)	60.21	63.85	3.64	6.0%
	Average unit price of domestic sales (¥/kg)	89.32	108.93	19.61	22.0%
	Average exchange rate (¥/\$)	110.16	127.86	17.70yen depreciation	16.1% depreciation

Statement of Income

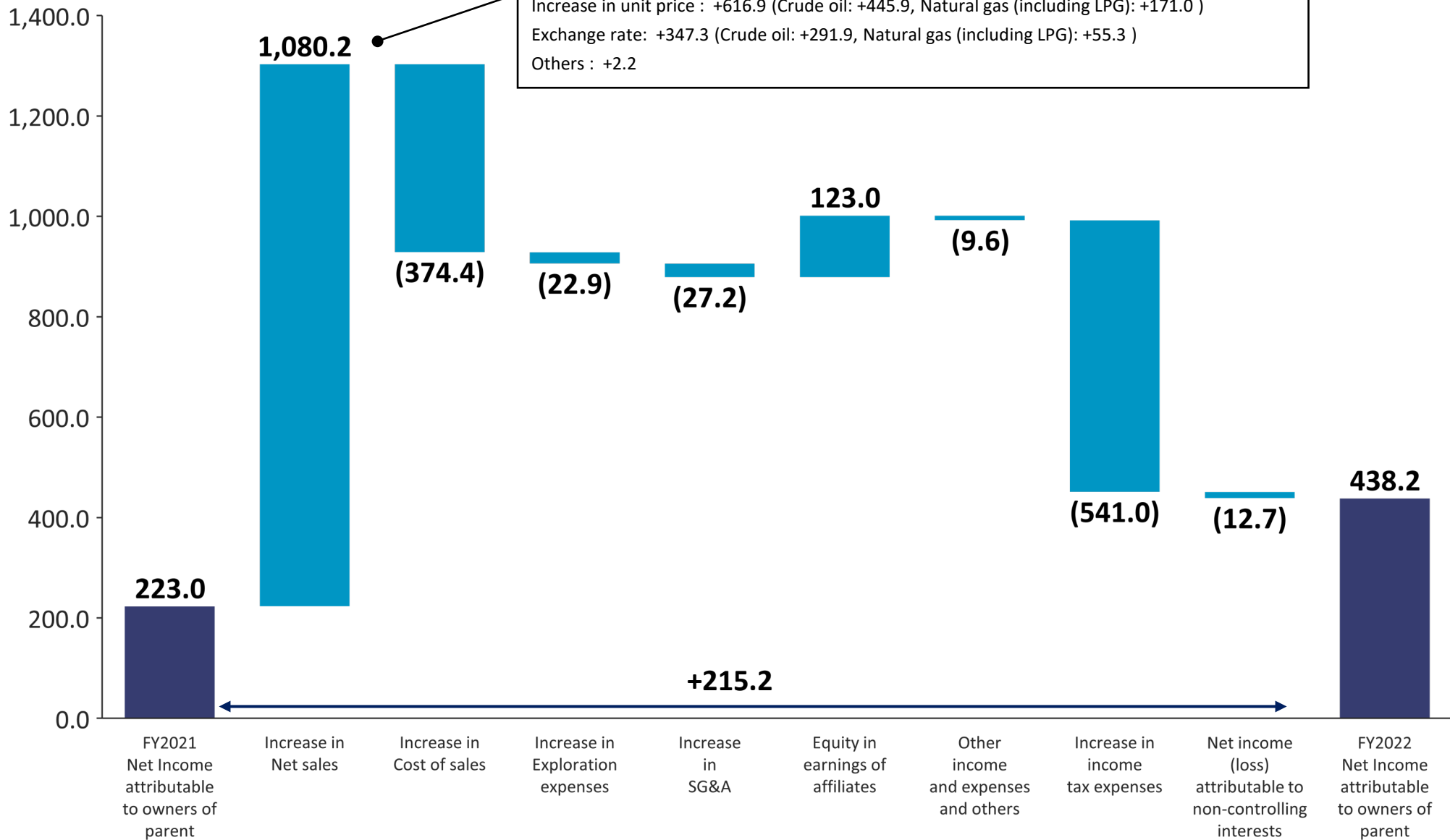


(Billions of Yen)	FY2021	FY2022	Change	% Change	
Net sales	1,244.3	2,324.6	1,080.2	86.8%	Increase in sales volume : +113.6 Increase in unit price : +616.9 Exchange rate: +347.3 Others : +2.2
Cost of sales	568.9	943.4	374.4	65.8%	
Gross profit	675.4	1,381.2	705.7	104.5%	Cost of sales for Crude Oil: 645.1 (Change) +258.9 Cost of sales for Natural Gas*1: 286.8 (Change) +118.2 *1 Including LPG
Exploration expenses	6.4	29.2	22.7	353.1%	
Selling, general and administrative expenses	78.3	105.6	27.2	34.8%	Main factors for change : Equity in earnings of affiliates +123.0 Interest income +33.5 Foreign exchange gain +30.3
Operating income	590.6	1,246.4	655.7	111.0%	
Other income	112.2	331.8	219.6	195.7%	Main factors for change : Modification loss on financial assets*2 +85.4 Interest expenses +18.6 Foreign exchange loss (6.7)
Other expenses	45.2	140.0	94.7	209.3%	
Ordinary income	657.6	1,438.2	780.6	118.7%	Main factor for change : Eagle Ford +25.7
Extraordinary loss (Impairment loss)	14.1	25.7	11.6	82.1%	
Total income taxes	429.5	970.5	541.0	126.0%	
Net income (loss) attributable to non-controlling interests	(9.1)	3.6	12.7	(139.7%)	
Net income attributable to owners of parent	223.0	438.2	215.2	96.5%	

*2 In accordance with International Financial Reporting Standards (IFRS) 9 "Financial Instruments" implemented to foreign consolidated subsidiaries, the loss was recognized due to modification of financial assets that do not result in derecognition. It includes the loss incurred from transactions with affiliated companies. Adjusted for equity in earnings of affiliates and tax effect accounting, the impact to consolidated net income was (21.1).

FY2022 Analysis of Income

(Billions of Yen)



(Billions of yen)	December 31, 2021	December 31, 2022	Change	% Change
Current assets	518.8	729.4	210.5	40.6%
Tangible fixed assets	2,259.8	2,473.1	213.2	9.4%
Intangible assets	446.6	482.7	36.0	8.1%
Recoverable accounts under production sharing	548.1	521.5	(26.6)	(4.9%)
Other	1,446.5	2,109.4	662.8	45.8%
Less allowance for recoverable accounts under production sharing	(61.8)	(53.8)	7.9	(12.9%)
Total assets	5,158.1	6,262.3	1,104.1	21.4%
Current liabilities	348.8	526.7	177.8	51.0%
Long-term liabilities	1,462.8	1,697.2	234.3	16.0%
Total net assets	3,346.4	4,038.3	691.9	20.7%
(Non-controlling interests)	222.3	261.5	39.1	17.6%
Total liabilities and net assets	5,158.1	6,262.3	1,104.1	21.4%
Net assets per share (Yen)	2,253.17	2,891.93	638.76	28.3%

Summary of financial information for Ichthys downstream JV (100% basis, including the Company's equity share 66.245%)
(Billions of yen)

- Current assets : 205.1
- Fixed assets : 4,176.5
- Total assets: 4,381.7

*Fixed assets include interest expenses which are not included in CAPEX, and capitalized costs before FID.

The total of long-term loans and short-term loans is 1.2 trillion yen.
Adding the off-balance net loans of the Ichthys IJV brings the total of INPEX net loans to be 1.7 trillion yen (as of December 31, 2022).

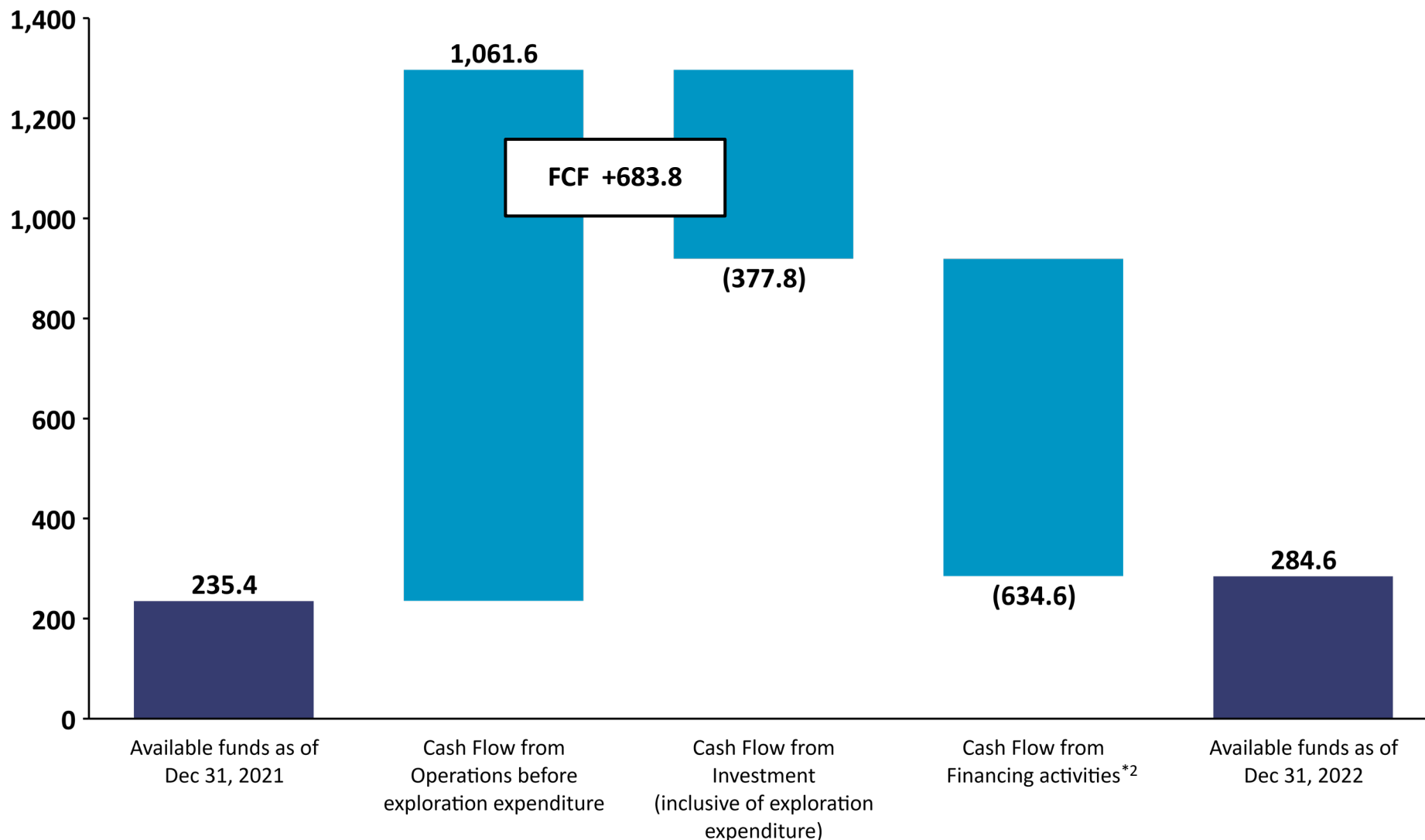
(Billions of yen)
Total shareholders' equity: +238.6
Accumulated other comprehensive income : +414.1

Statement of Cash Flows



(Billions of Yen)	FY2021	FY2022	Change
Income before income taxes	643.4	1,412.4	768.9
Depreciation and amortization	203.1	292.5	89.3
Impairment loss	14.1	25.7	11.6
Modification loss on financial assets	-	85.4	85.4
Recovery of recoverable accounts under production sharing (capital expenditures)	62.2	70.7	8.5
Recoverable accounts under production sharing (operating expenditures)	(4.1)	(5.3)	(1.2)
Equity in losses (earnings) of affiliates	(38.8)	(161.9)	(123.0)
Income taxes paid	(352.7)	(906.0)	(553.2)
Other	(81.9)	(62.4)	19.4
Net cash provided by (used in) operating activities	445.4	751.2	305.8
Payments for time deposits / Proceeds from time deposits	1.1	(3.9)	(5.1)
Payments for purchases of tangible fixed assets	(140.4)	(187.1)	(46.6)
Payments for purchases of securities/investment securities and proceeds from sales of securities/investment securities	12.4	(118.9)	(131.3)
Investment in recoverable accounts under production sharing (capital expenditures)	(30.8)	(39.0)	(8.2)
Long-term loans made / Collection of long-term loans receivable	34.5	(176.8)	(211.3)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(31.4)	(31.4)
Payments for acquisitions of participating interests	(7.7)	(7.6)	0.0
Other	0.2	39.4	39.1
Net cash provided by (used in) investing activities	(130.7)	(525.5)	(394.8)
Net cash provided by (used in) financing activities	(315.2)	(241.9)	73.2
Cash and cash equivalents at end of the period	191.2	211.6	20.4

(Billions of Yen)



*1 Including cashflow of Ichthys LNG Pty Ltd, the Ichthys Downstream IJV (Incorporated Joint Venture), an equity method affiliate

*2 Including translation adjustments related to available fund

**Consolidated Financial Forecasts
for the year ending December 31, 2023**

INPEX

Daisuke Yamada
Director, Managing Executive Officer,
Finance & Accounting

Consolidated Financial Forecasts for the year ending December 31, 2023



Assumptions	First Half (Jan to Jun 2023)	Second Half (Jul to Dec 2023)	Full Year (Jan to Dec 2023)
Brent oil price (\$/bbl) ^{*1}	77.5	72.5	75.0
Average exchange rate (¥/\$)	125.0	125.0	125.0

*1 Quarterly breakdown of the Brent oil price assumption is as follows: \$80 for Q1, \$75 for Q2 and Q3, \$70 for Q4

Full Year	FY2022 (Actual)	FY2023 (Forecast)	Change	% Change
Net Sales (Billions of yen)	2,324.6	1,885.0	(439.6)	(18.9%)
Operating Income (Billions of yen)	1,246.4	892.0	(354.4)	(28.4%)
Ordinary Income (Billions of yen)	1,438.2	1,005.0	(433.2)	(30.1%)
Net income attributable to owners of parent (Billions of yen)	438.2	270.0	(168.2)	(38.4%)

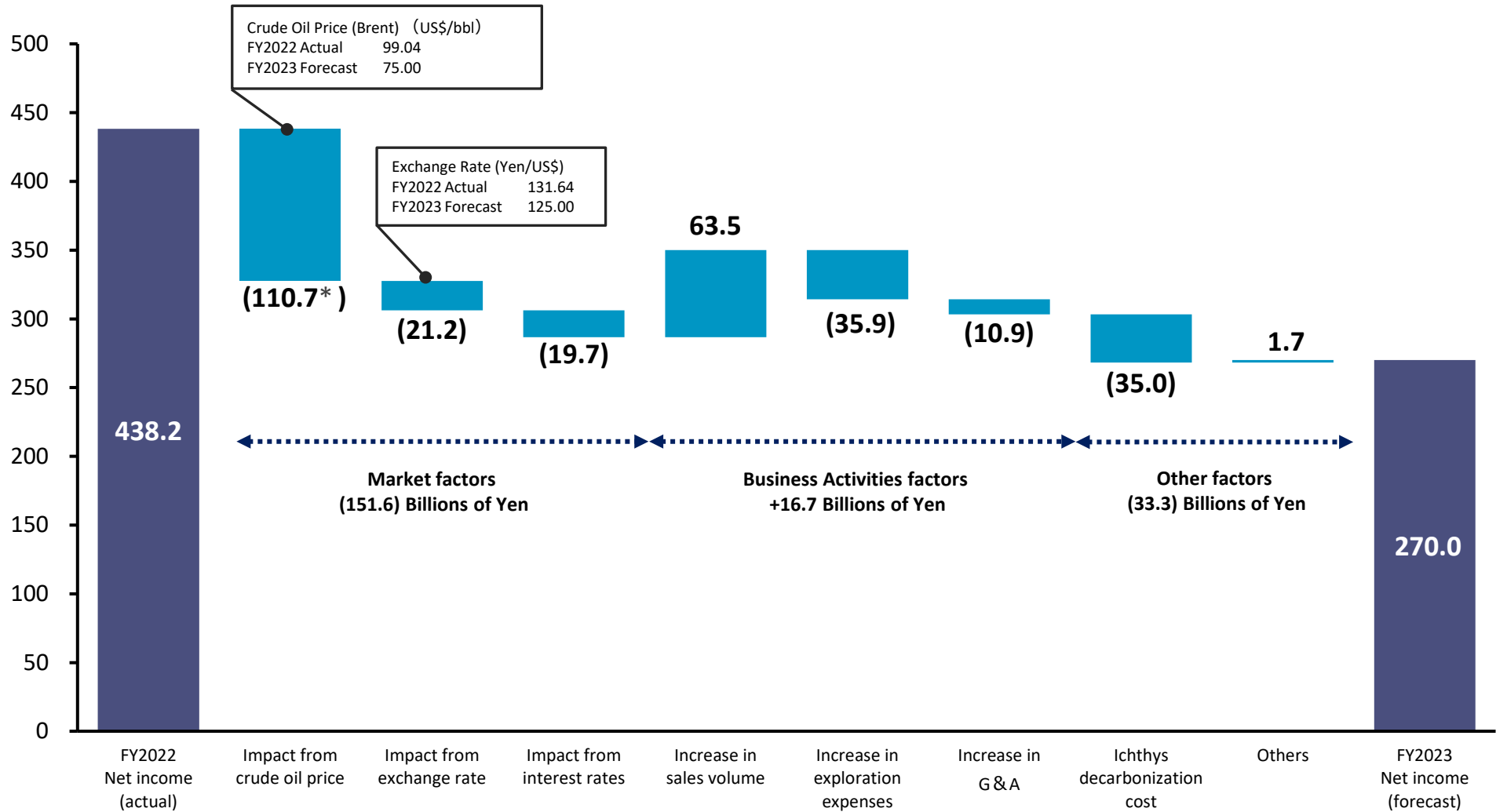
1st Half	FY2022 2Q (Actual)	FY2023 2Q (Forecast)	Change	% Change
Net Sales (Billions of yen)	1,098.4	1,013.0	(85.4)	(7.8%)
Operating Income (Billions of yen)	584.4	507.0	(77.4)	(13.2%)
Ordinary Income (Billions of yen)	626.1	596.0	(30.1)	(4.8%)
Net income attributable to owners of parent (Billions of yen)	184.4	199.0	14.6	7.9%

Cash dividends per share ^{*2} (yen)	FY2022 (Actual)	FY2023 (Forecast)
2Q End	30.0	32.0
FY End	32.0	32.0
TOTAL	62.0	64.0

*2 FY2023 dividend reference dates are June 30, 2023 for the mid-term dividend and December 31, 2023 for the year-end dividend.

FY2023 Financial Forecasts Analysis of Increase

(Billions of Yen)



* The discrepancy between the oil price impact figure shown above and the oil price impact calculated from the difference in the Brent oil prices and the oil price sensitivity for FY2023 takes into consideration certain natural gas sales applying oil prices on a delayed basis.

■ Sensitivities of crude oil price and foreign exchange fluctuation on consolidated net income attributable to owners of parent for the year ending December 31, 2023*¹

(Billions of yen)

<p>Brent Crude Oil Price; \$1/bbl increase (decrease)*²</p>	<p style="text-align: center;"><u>At Beginning of 1Q : +6.0 (-6.0)</u></p> <p>The impact on net income will change in FY2022 as below;</p> <p style="text-align: center;">At beginning of 2Q : +4.0 (-4.0)</p> <p style="text-align: center;">At beginning of 3Q : +2.0 (-2.0)</p> <p style="text-align: center;">At beginning of 4Q : +0.8 (-0.8)</p>
<p>Exchange Rate; ¥1 depreciation (appreciation) against the U.S. dollar*³</p>	<p style="text-align: center;">+3.2 (-3.2)</p>

*1 The sensitivities calculated at the beginning of the fiscal year (January 2023) represent the impact on net income for the year ending December 31, 2023 against a \$1/bbl increase (decrease) in the Brent crude oil price on average and a ¥ 1 depreciation (appreciation) against the U.S. dollar. These are based on the financial situation at the beginning of the fiscal year and are for reference purposes only. The actual impact may change due to fluctuations in production volumes, capital expenditures and cost recoveries, and may not be constant, depending on crude oil prices and exchange rates.

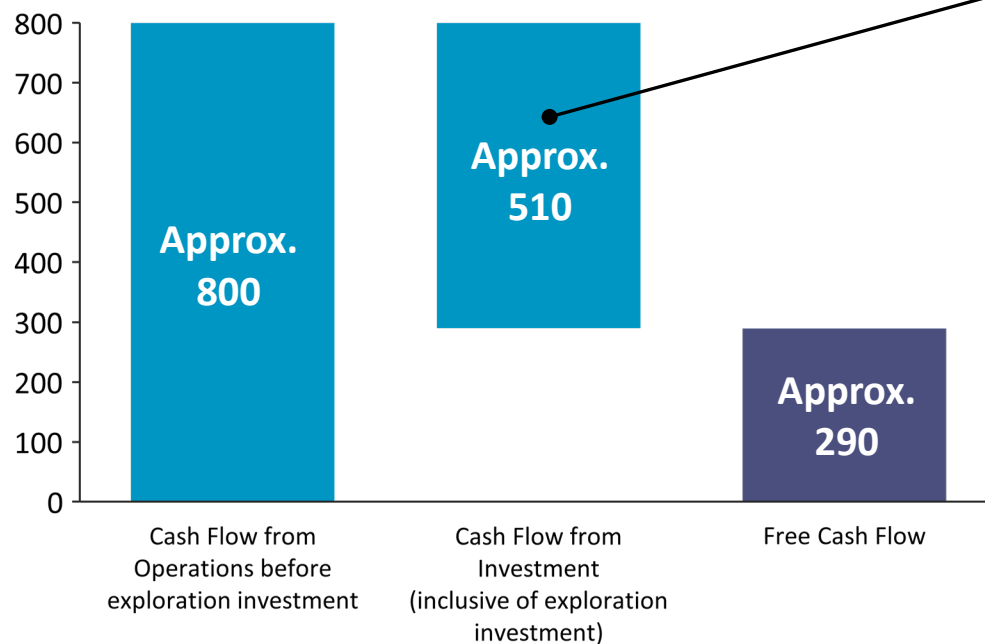
*2 Net income sensitivity is determined by fluctuations in the oil price and is subject to the average price of crude oil (Brent). A breakdown of quarterly sensitivity figures is listed below taking into consideration certain natural gas sales applying oil prices on a delayed basis;

- At beginning of 1Q : +6.0 billions of yen (1Q : +0.8 billions of yen, 2Q : +1.2 billions of yen, 3Q : +2.0 billions of yen , 4Q : +2.0 billions of yen)
- At beginning of 2Q : +4.0 billions of yen (1Q : ————— , 2Q : +0.8 billions of yen, 3Q : +1.2 billions of yen , 4Q : +2.0 billions of yen)
- At beginning of 3Q : +2.0 billions of yen (1Q : ————— , 2Q : ————— , 3Q : +0.8 billions of yen , 4Q : +1.2 billions of yen)
- At beginning of 4Q : +0.8 billions of yen (1Q : ————— , 2Q : ————— , 3Q : ————— , 4Q : +0.8 billions of yen)

*3 This is a sensitivity on net income determined by fluctuation of the yen against the U.S. dollar and is subject to the average exchange rate. On the other hand, sensitivity related to the valuation of assets and liabilities denominated in the U.S. dollar on net income incurred by foreign exchange differences between the exchange rate at the end of the fiscal year and the end of the previous fiscal year is largely neutralized.

(Billions of Yen)	FY2022 (Actual)	FY2023 (Forecast)	Change
Development expenditure (Oil & Gas Business)	279.4	349.0	69.6
Development expenditure (5 Net Zero Businesses)	81.8	94.0	12.2
Exploration expenditure (inclusive of some 5 Net Zero Businesses)	30.4	71.0	40.6
Others (Divestment etc.)	(55.5)	(18.0)	37.5
Growth Investment	336.1	496.0	159.9
Others (Purchase and disposal of investment securities etc.)	41.7	14.0	(27.7)
Cash Flow from Investment (inclusive of exploration investment)	377.8	510.0	132.2

(Billions of Yen)



* Including cashflow of Ichthys LNG Pty Ltd, the Ichthys Downstream IJV (Incorporated Joint Venture), an equity method affiliate