

Financial results for the nine months ended September 30, 2020

Supporting Material

INPEX CORPORATION

November 6, 2020



Cautionary Statement

INPEX

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.

- INPEX's accounting period changed to the January to December period from the April to March period from the fiscal year ended December 31, 2019.
- FY2020/12 third quarter figures are compared with the reference figures of the January to September 2019 period.

(Reference figures) Same period last year (January to September 2019)*

2019				2020			
Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
(Reference figures) Same period last year				FY2020/12 Third Quarter			

* Adjusted actual figures are unaudited figures for reference purposes only

Subsidiaries and Affiliates

65 Consolidated Subsidiaries

Major Subsidiaries	Country / Region	Ownership	Phase	Accounting Term
Japan Oil Development Co., Ltd.	UAE	100%	Production	December
JODCO Onshore Limited	UAE	51 %	Production	December
JODCO Lower Zakum Limited	UAE	100%	Production	December
INPEX Sahul, Ltd.	Timor-Leste	100%	Production	December
INPEX Ichthys Pty Ltd	Australia	100%	Production	December
INPEX Southwest Caspian Sea, Ltd.	Azerbaijan	51%	Production	December
INPEX North Caspian Sea, Ltd.	Kazakhstan	51%	Production	December
INPEX Oil & Gas Australia Pty Ltd	Australia	100%	Production	December
INPEX Eagle Ford, LLC	United States	100%	Production	December

20 Equity Method Affiliates

Major Affiliates	Country / Region	Ownership	Phase	Accounting Term
MI Berau B.V.	Indonesia	44%	Production	December
Angola Block 14 B.V.	Angola	49.99%	Production	December
Ichthys LNG Pty Ltd	Australia	66.245%	Production	December

Highlights of the Consolidated Financial Results for the nine months ended September 30, 2020

	(Reference) Same Period Last Year (January - September '19)	3Q FY2020 (January - September '20)	Change	% Change
Net sales (Billions of yen)	844.6	592.7	(251.8)	(29.8%)
Crude oil sales	626.5	390.3	(236.2)	(37.7%)
Natural gas sales (including LPG)	204.5	192.0	(12.5)	(6.1%)
Others	13.4	10.4	(3.0)	(22.5%)
Operating income (Billions of yen)	399.4	191.2	(208.1)	(52.1%)
Ordinary income (Billions of yen)	405.0	199.0	(206.0)	(50.9%)
Net income (loss) attributable to owners of parent (Billions of yen)	121.6	(125.4)	(247.0)	-
Net income (loss) per share* (Yen)	83.32	(85.90)	(169.22)	-

* Average number of INPEX shares issued and outstanding during the nine months ended September 30, 2020: 1,460,203,487

Average crude oil price (Brent) (\$/bbl)	64.75	42.53	(22.22)	(34.3%)
Average exchange rate (¥/\$)	109.13	107.57	1.56yen appreciation	1.4% appreciation

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Crude Oil Sales

	(Reference) Same Period Last Year (January - September '19)	3Q FY2020 (January - September '20)	Change	% Change
Net sales (Billions of yen)	626.5	390.3	(236.2)	(37.7%)

Sales volume (thousand bbl)	87,880	92,214	4,334	4.9%
Average unit price of overseas production (\$/bbl)	65.13	39.30	(25.83)	(39.7%)
Average unit price of domestic production (¥/kl)	45,299	31,028	(14,271)	(31.5%)
Average exchange rate (¥/\$)	109.47	107.60	1.87yen appreciation	1.7% appreciation

Sales volume by region (thousand bbl)	(Reference) Same Period Last Year (January - September '19)	3Q FY2020 (January - September '20)	Change	% Change
Japan	576 (91.6 thousand kl)	474 (75.4 thousand kl)	(102) (-16.2 thousand kl)	(17.7%)
Asia & Oceania	11,833	11,415	(418)	(3.5%)
Eurasia (Europe & NIS)	10,211	13,553	3,342	32.7%
Middle East & Africa	63,947	64,037	91	0.1%
Americas	1,314	2,735	1,422	108.2%
Total	87,880	92,214	4,334	4.9%

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	(Reference) Same Period Last Year (January - September '19)	3Q FY2020 (January - September '20)	Change	% Change
Net sales (Billions of yen)	202.4	189.9	(12.4)	(6.2%)

Sales volume (million cf)	307,472	343,758	36,286	11.8%
Average unit price of overseas production (\$/thousand cf)	4.18	3.70	(0.48)	(11.5%)
Average unit price of domestic sales (¥/m ³)	55.90	49.71	(6.19)	(11.1%)
Average exchange rate (¥/\$)	108.96	108.05	0.91yen appreciation	0.8% appreciation

Sales volume by region (million cf)	(Reference) Same Period Last Year (January - September '19)	3Q FY2020 (January - September '20)	Change	% Change
Japan	59,739 (1,601 million m ³ *)	56,462 (1,513 million m ³ *)	(3,277) (-88 million m ³ *)	(5.5%)
Asia & Oceania	222,337	266,232	43,895	19.7%
Eurasia (Europe & NIS)	6,703	6,744	41	0.6%
Middle East & Africa	-	-	-	-
Americas	18,694	14,321	(4,373)	(23.4%)
Total	307,472	343,758	36,286	11.8%

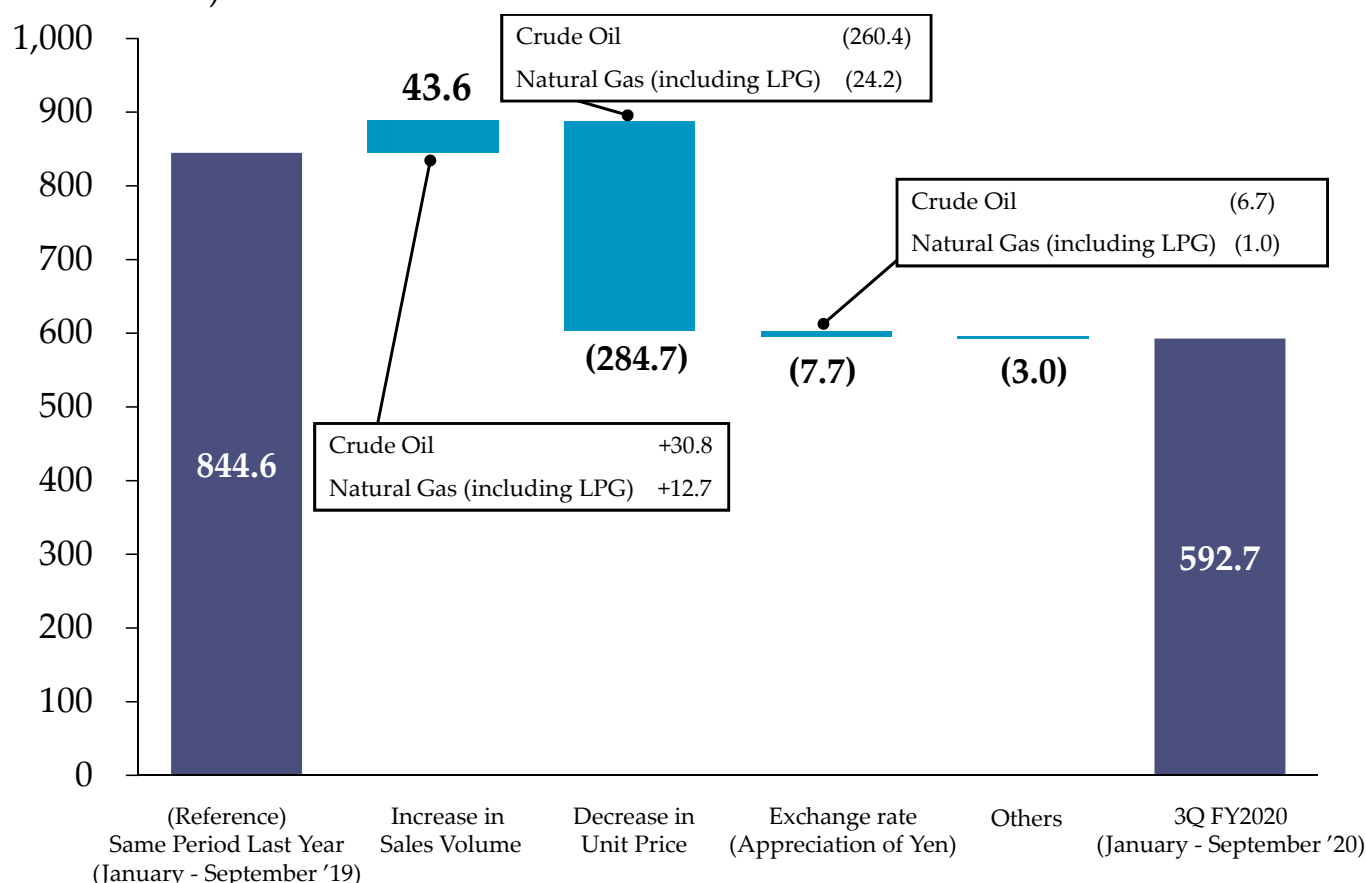
* 1m³=41.8605MJ

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Third Quarter FY2020 Analysis of Net Sales Decrease

(Billions of Yen)



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Statement of Income

(Billions of Yen)	(Reference) Same Period Last Year (January - September '19)	3Q FY2020 (January - September '20)	Change	% Change	
Net sales	844.6	592.7	(251.8)	(29.8%)	Increase in sales volume : +43.6 Decrease in unit price : (284.7) Exchange rate: (7.7) Others : (3.0)
Cost of sales	370.1	339.4	(30.7)	(8.3%)	
Gross profit	474.4	253.3	(221.0)	(46.6%)	
Exploration expenses	19.8	5.9	(13.8)	(70.0%)	
Selling, general and administrative expenses	55.1	56.1	0.9	1.7%	Cost of sales for Crude Oil: 210.9 (Change) (42.9) Cost of sales for Natural Gas*:120.1 (Change) +14.0 * Including LPG
Operating income	399.4	191.2	(208.1)	(52.1%)	
Other income	35.2	41.2	6.0	17.0%	Main factors for change : Equity in earnings of affiliates +8.8
Other expenses	29.6	33.5	3.9	13.3%	
Ordinary income	405.0	199.0	(206.0)	(50.9%)	Main factors for change : Foreign exchange loss +5.3
Extraordinary loss (Impairment loss)	5.4	191.2	185.8	-	
Total income taxes	284.1	128.7	(155.3)	(54.7%)	Main factors for change : Prelude FLNG Project +130.0 Eagle Ford +33.4 Lucius Oil Field +18.8 Bayu-Uندان +8.9
Net income (loss) attributable to non-controlling interests	(6.1)	4.4	10.6	-	
Net income (loss) attributable to owners of parent	121.6	(125.4)	(247.0)	-	
(Income before one-off profit (loss)*)	118.2	41.2	(77.0)	-	
(One-off profit (loss))	3.4	(166.7)	(170.1)	-	* Income before one-off profit (loss) = Net income (loss) attributable to owners of parent - one-off profit (loss)

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Other Income and Expenses

(Billions of Yen)	(Reference) Same Period Last Year (January - September '19)	3Q FY2020 (January - September '20)	Change	% Change
Other income	35.2	41.2	6.0	17.0%
Interest income	2.5	0.9	(1.5)	(61.8%)
Dividend income	6.6	6.1	(0.5)	(8.0%)
Equity in earnings of affiliates	19.3	28.1	8.8	45.6%
Other	6.7	6.0	(0.6)	(10.3%)
Other expenses	29.6	33.5	3.9	13.3%
Interest expense	20.4	15.6	(4.8)	(23.5%)
Provision for allowance for recoverable accounts under production sharing	0.4	2.8	2.3	-
Provision for exploration projects	0.2	-	(0.2)	-
Foreign exchange loss	1.9	7.3	5.3	-
Other	6.5	7.7	1.1	18.3%

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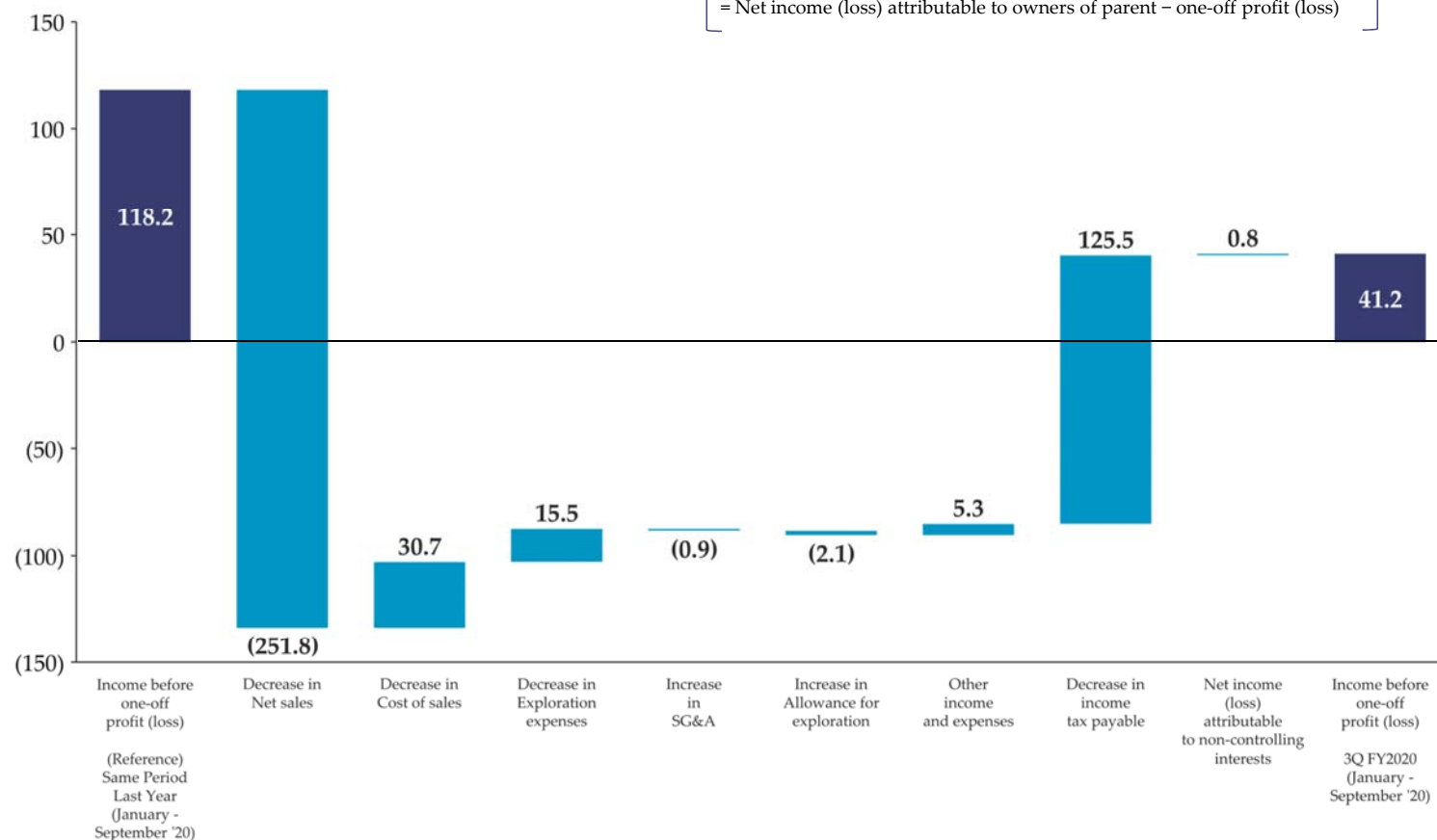
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Third Quarter FY2020 Analysis of Income before One-off Profit (Loss) Decrease

INPEX

(Billions of Yen)

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



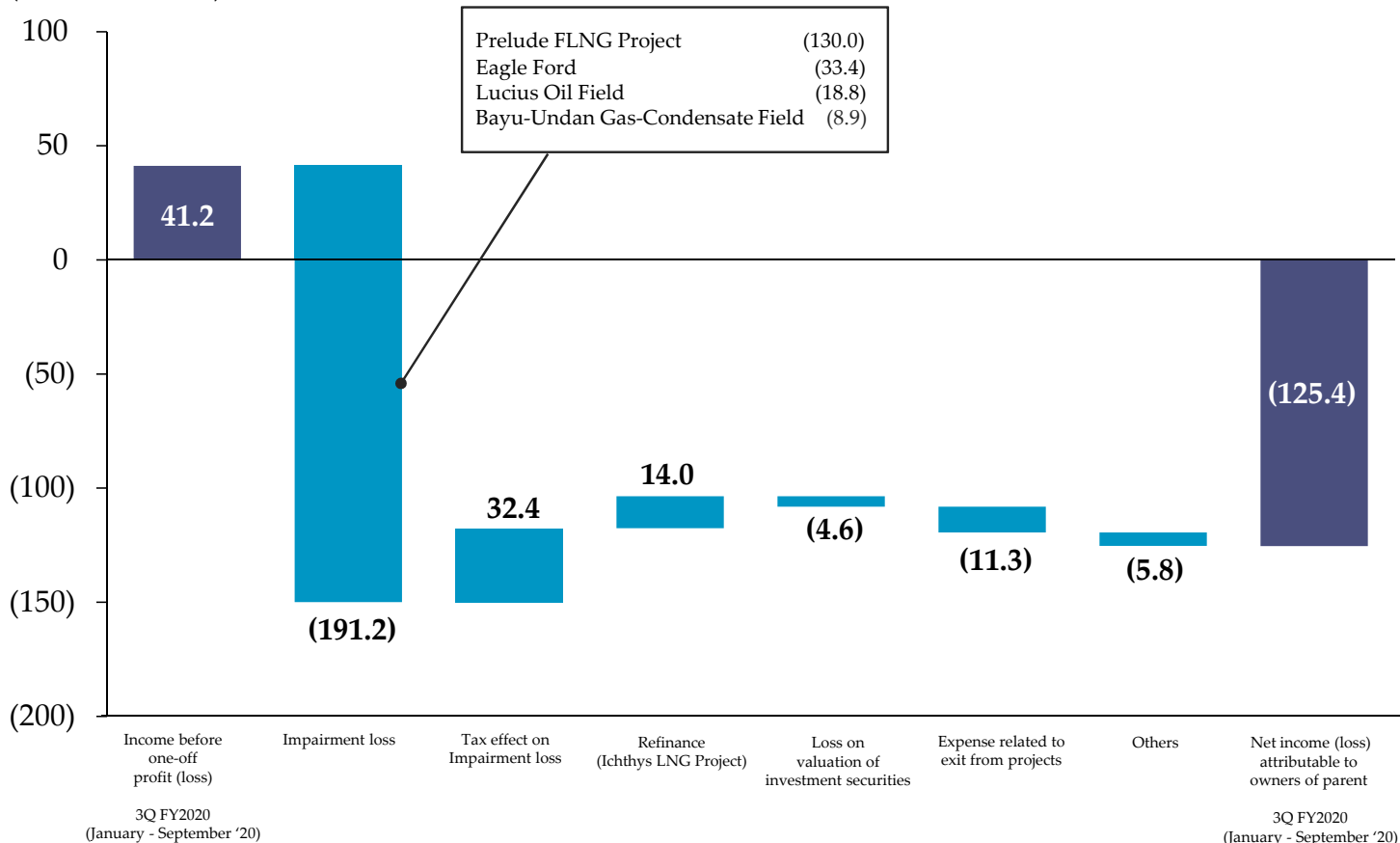
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Third Quarter FY2020 Analysis of Impact of One-off Profit (Loss)

INPEX

(Billions of Yen)



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■ Assumptions

(August 6, 2020)	1 st half (Jan-Jun)	2 nd half (Jul-Dec)	Full year
Crude oil price (Brent) (US\$/bbl)	42.1	40.0	41.1
Exchange rate (yen/US\$)	108.3	105.0	106.6



(November 6, 2020)	1 st half (Jan-Jun)	2 nd half (Jul-Dec)	Full year
Crude oil price (Brent) (US\$/bbl)	42.1	41.7	41.9
Exchange rate (yen/US\$)	108.3	105.6	106.9

■ Financial Forecasts for the year ending December 31, 2020

	Previous forecasts (August 6, 2020)	Revised forecasts (November 6, 2020)	Change	% Change
Net sales (billions of yen)	730.0	754.0	24.0	3.3%
Operating income (billions of yen)	203.0	228.0	25.0	12.3%
Ordinary income (billions of yen)	200.0	219.0	19.0	9.5%
Net income (loss) attributable to owners of parent (billions of yen)	(136.0)	(136.0)	-	-

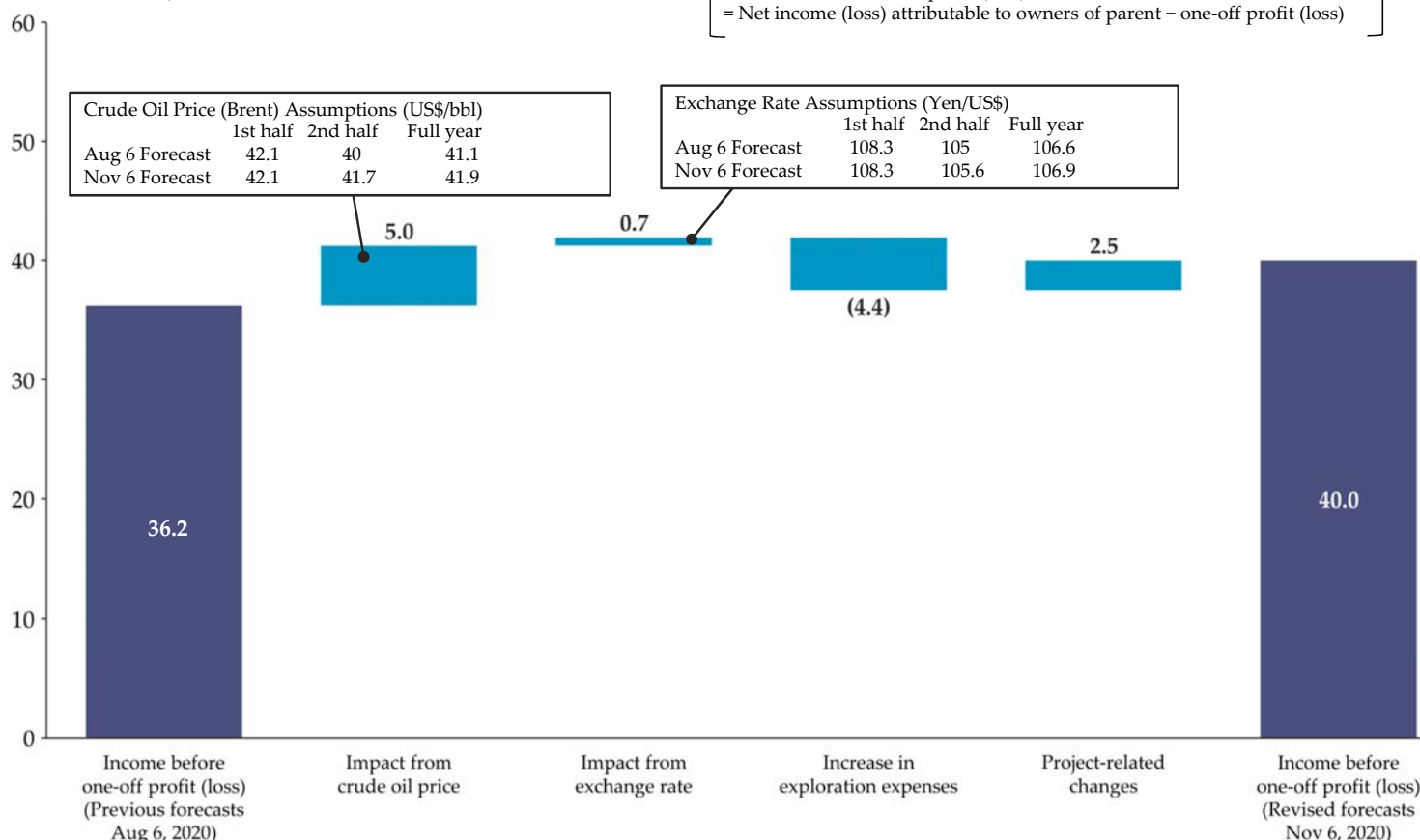
■ Dividend per share

End of 2Q	End of fiscal year (forecast)	Full year (forecast)
¥12.00	¥12.00	¥24.00

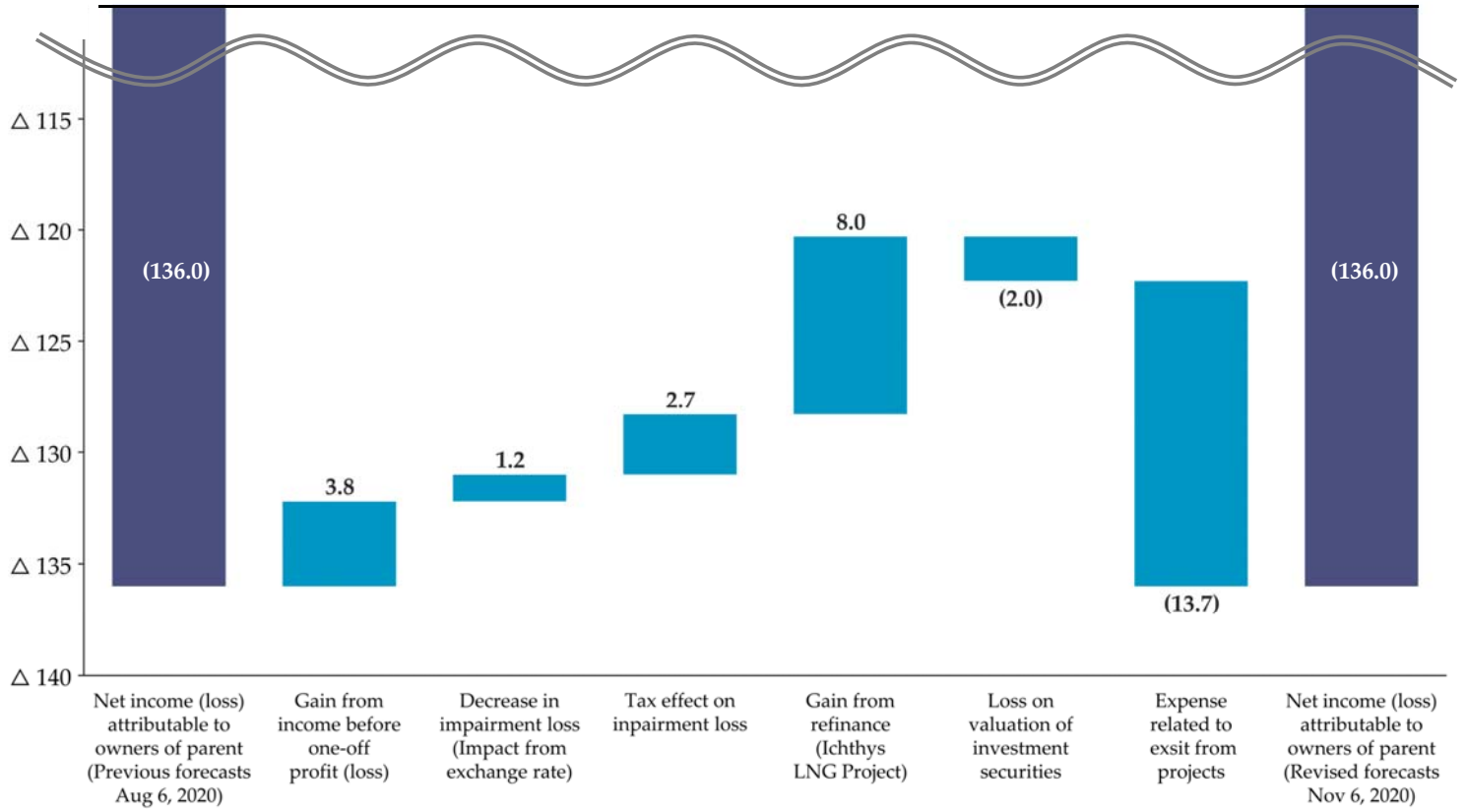
FY2020 Financial Forecasts
Analysis of Income before One-off Profit (Loss) Increase

(Billions of Yen)

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



(Billions of Yen)



Impact of One-off Profit (Loss) : (3.8)

	(Reference) Same Period Last Year (January - September '19)	3Q FY2020 (January - September '20)	Change	% Change
Net sales (Billions of yen)	2.1	2.1	(0.0)	(0.8%)

Sales volume (thousand bbl)	249	210	(39)	(15.8%)
Average unit price of overseas production (\$/bbl)	40.15	34.77	(5.38)	(13.4%)
Average unit price of domestic production (¥/kg)	67.79	60.64	(7.15)	(10.5%)
Average exchange rate (¥/\$)	109.24	107.21	2.03yen appreciation	1.9% appreciation

Sales volume by region (thousand bbl)	(Reference) Same Period Last Year (January - September '19)	3Q FY2020 (January - September '20)	Change	% Change
Japan	2 (0.2 thousand ton)	1 (0.1 thousand ton)	(1) (-0.0 thousand ton)	(25.6%)
Asia & Oceania	247	208	(39)	(15.7%)
Eurasia (Europe & NIS)	-	-	-	-
Middle East & Africa	-	-	-	-
Americas	-	-	-	-
Total	249	210	(39)	(15.8%)

Balance Sheet

(Billions of yen)	December 2019	September 2020	Change	% Change
Current assets	419.8	370.9	(48.8)	(11.6%)
Tangible fixed assets	2,275.3	2,074.0	(201.3)	(8.8%)
Intangible assets	535.3	445.1	(90.1)	(16.8%)
Recoverable accounts under production sharing	568.3	578.3	9.9	1.8%
Other	1,118.0	1,235.5	117.5	10.5%
Less allowance for recoverable accounts under production sharing	(66.8)	(69.7)	(2.8)	4.3%
Total assets	4,849.9	4,634.2	(215.7)	(4.4%)
Current liabilities	401.4	380.9	(20.5)	(5.1%)
Long-term liabilities	1,151.3	1,234.5	83.2	7.2%
Total net assets	3,297.1	3,018.7	(278.3)	(8.4%)
(Non-controlling interests)	256.4	259.2	2.8	1.1%
Total liabilities and net assets	4,849.9	4,634.2	(215.7)	(4.4%)
Net assets per share (Yen)	2,082.43	1,889.81	(192.62)	(9.2%)

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

(Billions of yen)

- Current assets : 125.6
- Fixed assets : 3,545.1
- Total assets: 3,670.8

*Fixed assets include interest expense 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-balanced net loans of the Ichthys IJV brings the total of INPEX net loans to be 2.2 trillion yen (as of September, 2020).

(Billions of yen)

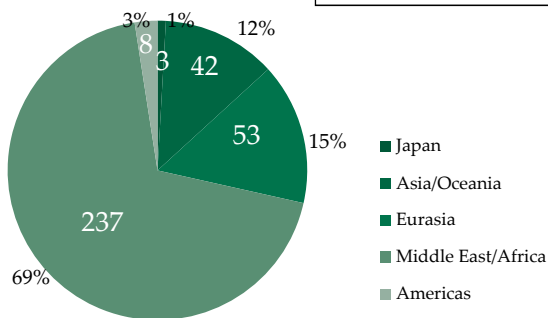
Total shareholders' equity: (169.2)
Accumulated other comprehensive income : (112.0)

- Unrealized gain (loss) from hedging instruments: (41.9)
- Translation adjustments: (63.7)

Net Production (January to September 2020)

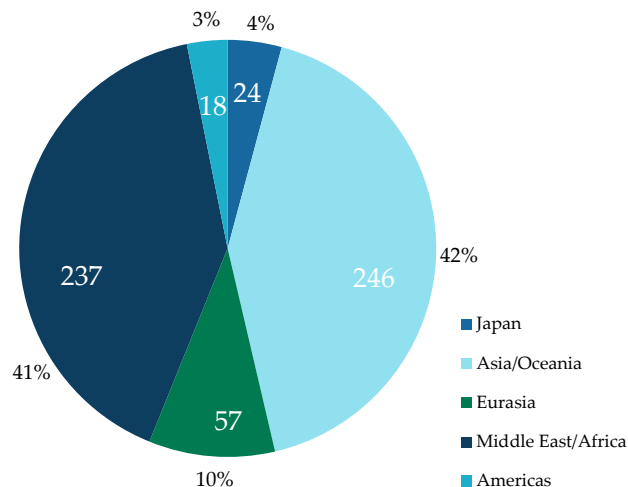
Oil, Condensate and LPG

343 thousand BOE/day



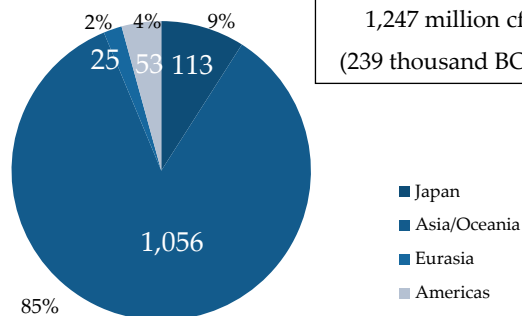
Oil and Gas Total

582 thousand BOE/day



Natural Gas

1,247 million cf/day
(239 thousand BOE/day)



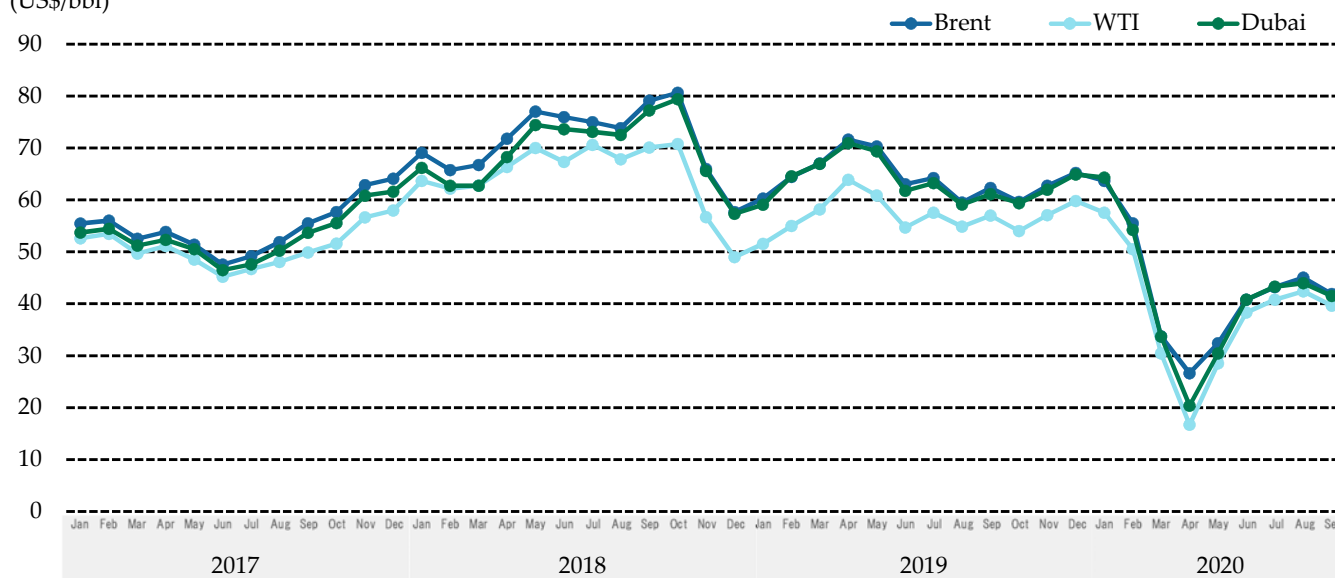
* The production volume under the production sharing contracts corresponds to the net economic take of the INPEX Group.

* During the January to September 2020 period, the Ichthys LNG Project has shipped 89 LNG cargoes from the onshore LNG facility in Darwin. (In October 2020, 11 cargoes have been shipped.)

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Historical Crude Oil Prices

(US\$/bbl)



	2019		2020									
	Jan to Sept Average ¹	Apr to Dec Average ²	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Jan to Sept Average ³
Brent	64.74	64.27	63.67	55.48	33.73	26.63	32.41	40.77	43.22	45.02	41.87	42.53
WTI	57.06	57.74	57.53	50.54	30.45	16.70	28.53	38.31	40.77	42.39	39.63	38.32
Dubai	64.02	63.53	64.29	54.22	33.70	20.39	30.47	40.79	43.28	43.99	41.50	41.40

¹ Same period last year

² FY2019/12 (9months)

³ Q1-3 FY2020/12

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