

Financial Results for the six months ended June 30, 2024

INPEX CORPORATION (Securities Code:1605)

August 8, 2024



Agenda

1. Business Overview

2. Progress Update for “Sustainable Growth of Corporate Value”

Takayuki Ueda

Representative Director, President & CEO

3. Consolidated Financial Results
for the six months ended June 30, 2024

4. Consolidated Financial Forecasts
for the year ending December 31, 2024

Daisuke Yamada

Director, Senior Managing Executive Officer,
Finance & Accounting

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.

1. Business Overview

Takayuki Ueda

Representative Director, President & CEO

**Under Current External Environment
(Oil price, Forex etc.)
Increased Full-year Forecasts
YoY**

**Profit attributable to owners of parent
(2Q results)**

¥212.5 billion

First Half (Actual)

Brent oil price \$83.4/bbl
Exchange rate ¥152.4/US\$

**Profit attributable to owners of parent
(Full-year forecasts)**

¥360.0 billion

(11.9% increase YoY)

Second Half (Assumptions)

Brent oil price \$76.6/bbl (3Q \$79.0, 4Q \$74.2)
Exchange rate ¥143.6/US\$ (Closing fx ¥140.0)

Full-year (Assumptions)

Brent oil price \$80.0/bbl
Exchange rate ¥148.0/US\$

**Highest Dividend & Buyback
Historically**

Annual Dividend

¥86 per share
(forecast)

(12 yen increase YoY)

Share Buyback

¥130 billion

(Additional ¥80 billion announced today)
(Resulting in ¥30 billion increase YoY)

		First half of FY2024	Second half of FY2024 (planned)
Producing Projects	Ichthys LNG (Australia)	<ul style="list-style-type: none"> Participating interest increased from 66.245% to 67.82% Conducted stable production operations overall, shipped 66 LNG cargoes First half profit contribution of 150.0 billion yen 	<ul style="list-style-type: none"> The train restarted operations following a production loss event in July, the production rate is largely back on track Forecasted profit contribution of about 85.0 billion yen for the second half and about 235.0 billion yen for the full year
	Offshore Oil Fields & Onshore Concession (Abu Dhabi)	<ul style="list-style-type: none"> Continue to conduct stable operations and production capacity increase 	
	Others	<ul style="list-style-type: none"> Commenced oil production at the newly constructed Azeri Central East production platform in ACG field 	<ul style="list-style-type: none"> Continue evaluation of the potential development of discovered but undeveloped oil and gas fields in Norway Succession of INPEX's domestic oil and natural gas business etc. to the newly established subsidiary, INPEX JAPAN to promote the business more flexibly and efficiently
Pre-FID Projects	Abadi LNG (Indonesia)	<ul style="list-style-type: none"> Continue activities and preparation for FEED commencement and FID <ul style="list-style-type: none"> ✓ Onshore and offshore geophysical & geotechnical surveys (commenced) ✓ Tender for FEED execution (commenced) 	
Exploration Projects	Vicinity of the Ichthys Field (Australia)	<ul style="list-style-type: none"> Continue evaluations for AC/RL7 (Cash Maple) and other blocks Conducted a 3D-seismic survey in AC/P66. Continue 3D-seismic survey data processing 	
	Onshore Block 4 (Abu Dhabi)	<ul style="list-style-type: none"> Conduct exploratory and appraisal drilling and evaluation of potential development and production in the next phase 	
	Others	<ul style="list-style-type: none"> Discovered oil and gas deposits at Offshore Block PL636 in Norway Signed PSC for Block SK510 (exploration block) in Malaysia 	<ul style="list-style-type: none"> Considering new bids to acquire new exploration licenses in Norway

First half of FY2024

Second half of FY2024 (planned)

Hydrogen & Ammonia

- Construction of surface facilities for for Blue Hydrogen/Ammonia Project in Kashiwazaki City, Niigata Prefecture, Japan proceeding as planned. Continue with the construction work aiming to commence demonstration operation in August 2025
- Commenced Pre-FEED for large-scale, low-carbon ammonia production and export project on the Houston Ship Channel in Texas. Aiming to transition to FEED.

CCS • CCUS

- Conducted 3D-seismic survey and data processing in GHG assessment permit (G-7-AP) in Bonaparte CCS project. Continue to conduct 3D-seismic data processing and conduct appraisal drilling
- “Tokyo Metropolitan Area CCS Project” and “Tohoku Region West Coast CCS Initiative” selected by JOGMEC for the 2nd phase of Japanese Advanced CCS projects. Planning to implement preparation for exploratory drilling and FEED for onshore facilities.

Renewable Energy

- Reached FID on Quorn Park solar power and battery project, the first investment of its kind after the acquisition of shares in EGPA
- Continue with the commissioning of the Gigarre solar power project that are under construction by EGPA in Australia, aiming to commence operations in the early 2025. Proceed with development of various potential projects

Carbon Recycling & New Business

- Construction of CO2-methanation test facilities capable of producing 400 normal cubic meters of methane per hour in Niigata, Japan steadily underway, aiming to commence commissioning in the early 2026

Forest Conservation & Other

- Implementation of activities to acquire and generate new forestation credits
- Marketing of carbon offset products including gas and jet fuel

2. Progress Update for “Sustainable Growth of Corporate Value”

Takayuki Ueda

Representative Director, President & CEO

Various initiatives conducted after the announcement of “Sustainable Growth of Corporate Value” in August 2023

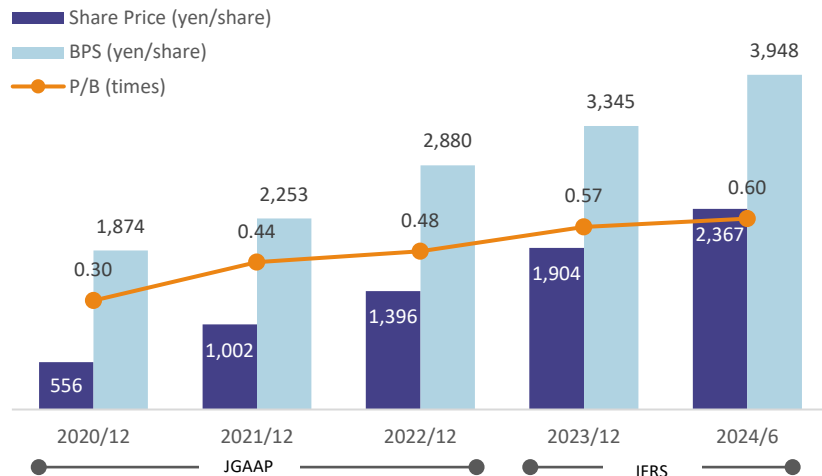
Our analysis on factors leading to the discount

- Room for improved profitability
- Risk of assets being stranded
- Uncertainty concerning shareholder returns

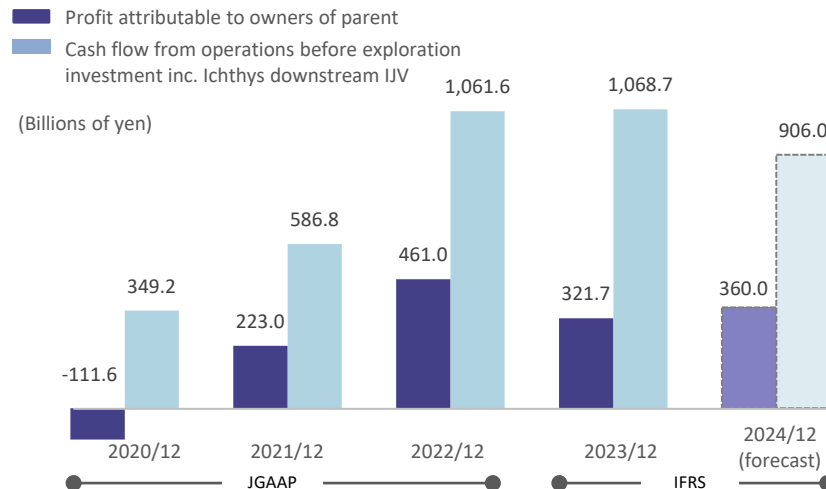
Our initiatives

- Improving capital efficiency
- Growth initiatives to gain market confidence
- Stronger shareholder returns and deeper dialogue with investors

Share Price and P/B



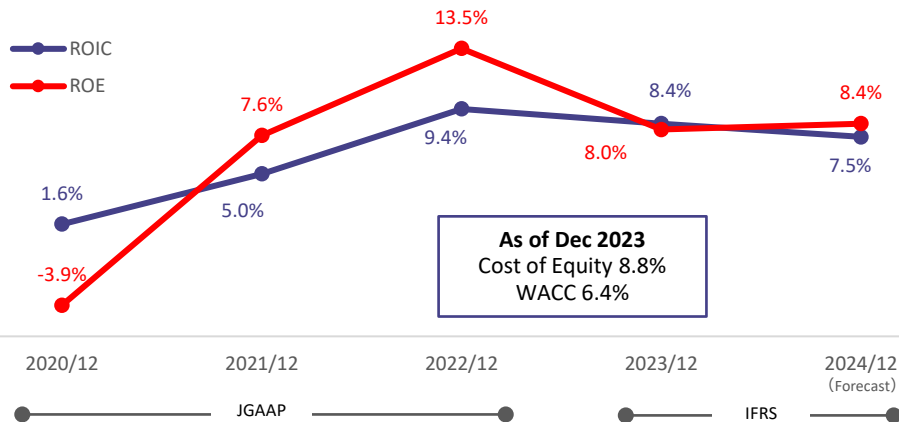
Financial Results



■ Introduction of ROIC and ROIC by Segment

- Introduced ROIC as management KPI in August 2023. Disclosed ROIC by segment in November 2023 at INPEX Investor Day.
- Achieved a ROIC above WACC in FY2023. Forecasting FY2024 ROIC to be 7.5%.
- With ROE and cost of equity in mind, aiming to achieve a ROIC above WACC in each of the business areas

ROE & ROIC



■ Steady Growth in Profit

- 360.0 billion yen profit, an increase of +11.9% YoY, forecasted for FY2024

■ Cost Reduction

- Production cost* of US\$5.6/boe forecasted for FY2024, maintaining similar level as the previous fiscal year despite the inflationary environment

*Average production cost per boe produced (excluding royalty)

■ Capital Management

- Stronger shareholder returns (Rf. page 12)
- Appropriately controlling leverage so that the net D/E ratio remains largely within the range of 0.3 to 0.5
- Net D/E ratio of 0.33 forecasted for FY2024 year end (Rf. Page18)

■ Growth of oil & gas business

Ichthys LNG (In operation)

- **Continue stable operations**
- Aim to achieve LNG production volume of 9.3 mtpa (facility capacity already established)
- **Acquire stakes in the vicinity** to strengthen earnings base
- Continue evaluation of 3rd train expansion targeting start-up in the 2030s

Abadi LNG (Pre-FID)

- **Solid natural gas demand expected in Asia**
- Aim to achieve **IRR in the mid-10% range**
- **Preparatory works such as surveys** underway toward production start in around 2030

■ Implementing CCS to reduce the risk of stranded oil & gas assets

- Conduct **3D seismic survey and drilling** in the GHG assessment permit to implement CCS
- Aim to contribute to the Darwin-based CCUS Hub proposed by the Northern Territory Government **having in view a potential to import CO₂ from Japan**
- Plan to **reduce 100% native CO₂** (CO₂ from reservoir) with CCS
- Potential plan to make it a **CCS hub**

■ Turning renewable energy business into a stable income source

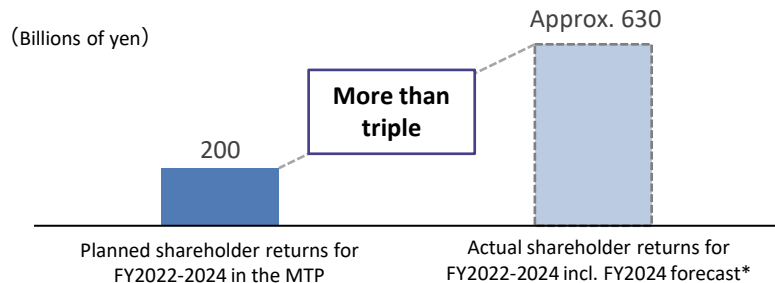
- Reached **FID on Quorn Park solar power and battery project**, the first investment of its kind after the acquisition of shares in EGPA
- While continuing to be involved in the operations of the existing assets held by EGPA, **select and develop new assets with high profitability** with aim to further increase the power generation capacity

■ Capturing future growth opportunities in CCS & hydrogen etc.

- Aim to start operations **by around 2030** while gaining government support
 - Low-carbon ammonia project at the port of Houston, Texas
 - Tokyo Metropolitan Area CCS Project and Tohoku Region West Coast CCS Initiative etc.

Stronger shareholder returns

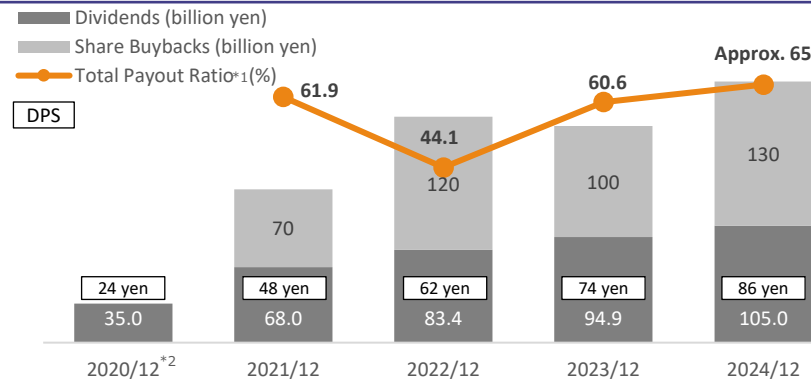
Shareholder returns for FY2022-2024



- Significantly enhancing shareholder returns beyond the initial plan in the Medium-term Business Plan (Rf. Page 25-26 for details on cash allocation).

* Actual shareholder returns for fiscal years 2022 and 2023, plus forecasted shareholder returns for fiscal year 2024.

Increasing shareholder returns



*1 Total payout ratios for FY2023/12 and FY2024/12 are based on IFRS.

*2 The total payout ratio for FY2020/12 is N/A due to net loss.

Deeper Dialogue with Institutional Investors

- Conducted Investor Day
- Enhanced engagement between investors and top management
- Actively participated in domestic and overseas conferences
- Resumed overseas road shows (held online during COVID)
- Conducted overseas facility tour

Enhanced IR for Individual Investors

- Actively held individual investor briefings (including online)
- Conducted domestic facility tours

	FY2023 Actual	FY2024 Previous forecast (May 14, 2024)	FY2024 Revised forecast (August 8, 2024)
DPS (Dividend per Share)	74 yen	76 yen	86 yen
Total Amount of Dividends	94.9 billion yen	Approx. 94.0 billion yen* ²	Approx. 105.0 billion yen* ²
Share Buybacks	100.0 billion yen	50.0 billion yen	130.0 billion yen (Including 80.0 billion yen announced today)
Total Amount of Shareholder Returns	194.9 billion yen	Approx. 144.0 billion yen	Approx. 235.0 billion yen
Total Payout Ratio (%)	60.6%* ¹	Approx. 40%	Approx. 65%

*¹ Based on IFRS. (52.5% based on JGAAP)

*² Forecasted total amount of dividends takes into account the number of shares to be acquired through buybacks.

- Based on the recognition of the discounted nature of recent share price, “Sustainable Growth of Corporate Value” initiative announced in August 2023, and in view of the steady FY2024 financial forecast, INPEX resolved an additional share buyback and a substantial increase in DPS forecast.
- Both the total amount of annual share buybacks and DPS are at the highest-ever.

3. Consolidated Financial Results for the six months ended June 30, 2024

Daisuke Yamada
Director, Senior Managing Executive Officer,
Finance & Accounting

	2Q FY2023	2Q FY2024	Change	% Change
Average crude oil price (Brent) (\$/bbl)	79.91	83.42	3.50	4.4%
Average exchange rate (¥/\$)	134.99	152.36	17.37 yen depreciation	12.9% depreciation
Revenue (Billions of yen)	1,078.9	1,190.8	111.8	10.4%
Operating profit (Billions of yen)	607.2	700.0	92.8	15.3%
Profit before tax (Billions of yen)	709.5	713.2	3.7	0.5%
Profit attributable to owners of parent (Billions of yen)	248.4	212.5	(35.9)	(14.5%)
Basic earnings per share* (Yen)	190.27	169.26	(21.01)	(11.0%)

* Average number of INPEX shares issued and outstanding during the six months ended June 30, 2023: 1,306,002,898 shares
 Average number of INPEX shares issued and outstanding during the six months ended June 30, 2024: 1,255,990,910 shares

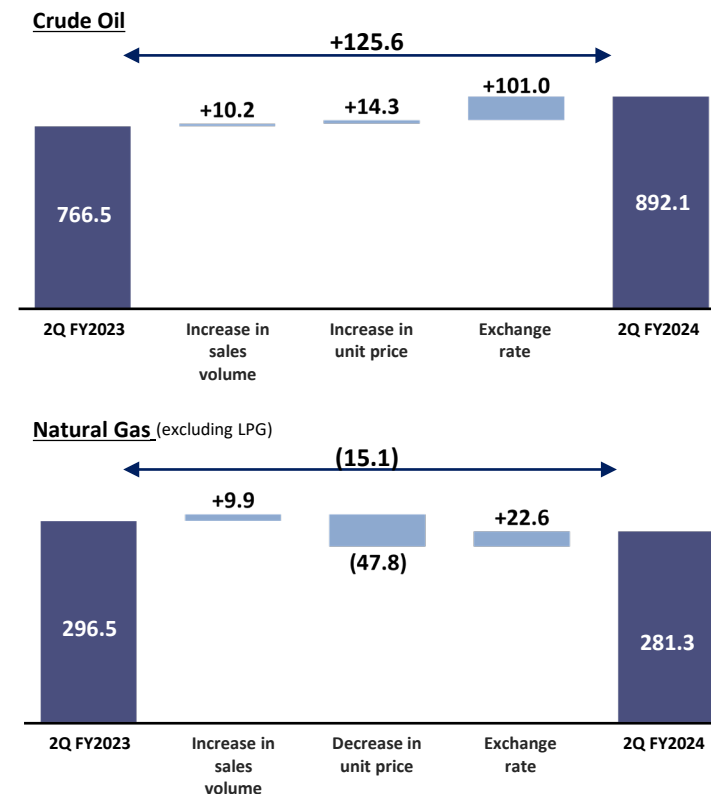
Revenue, Sales Volume, Unit Price and Exchange Rate

		2Q FY2023	2Q FY2024	Change	% Change
Crude Oil	Revenue (Billions of yen)	766.5	892.1	125.6	16.4%
	Sales volume (thousand bbl)	69,701	70,635	934	1.3%
	Average unit price of overseas sales (\$/bbl)	81.44	82.92	1.48	1.8%
	Average exchange rate (¥/\$)	135.04	152.34	17.30 yen depreciation	12.8% depreciation
Natural Gas (excluding LPG)	Revenue (Billions of yen)	296.5	281.3	(15.1)	(5.1%)
	Sales volume (million cf)	249,555	258,874	9,319	3.7%
	Average unit price of overseas sales (\$/thousand cf)	6.02	5.61	(0.41)	(6.8%)
	Average unit price of domestic sales (¥/m ³)	102.18	76.74	(25.44)	(24.9%)
	Average exchange rate (¥/\$)	134.88	152.65	17.77 yen depreciation	13.2% depreciation

* 1m³=41.8605MJ

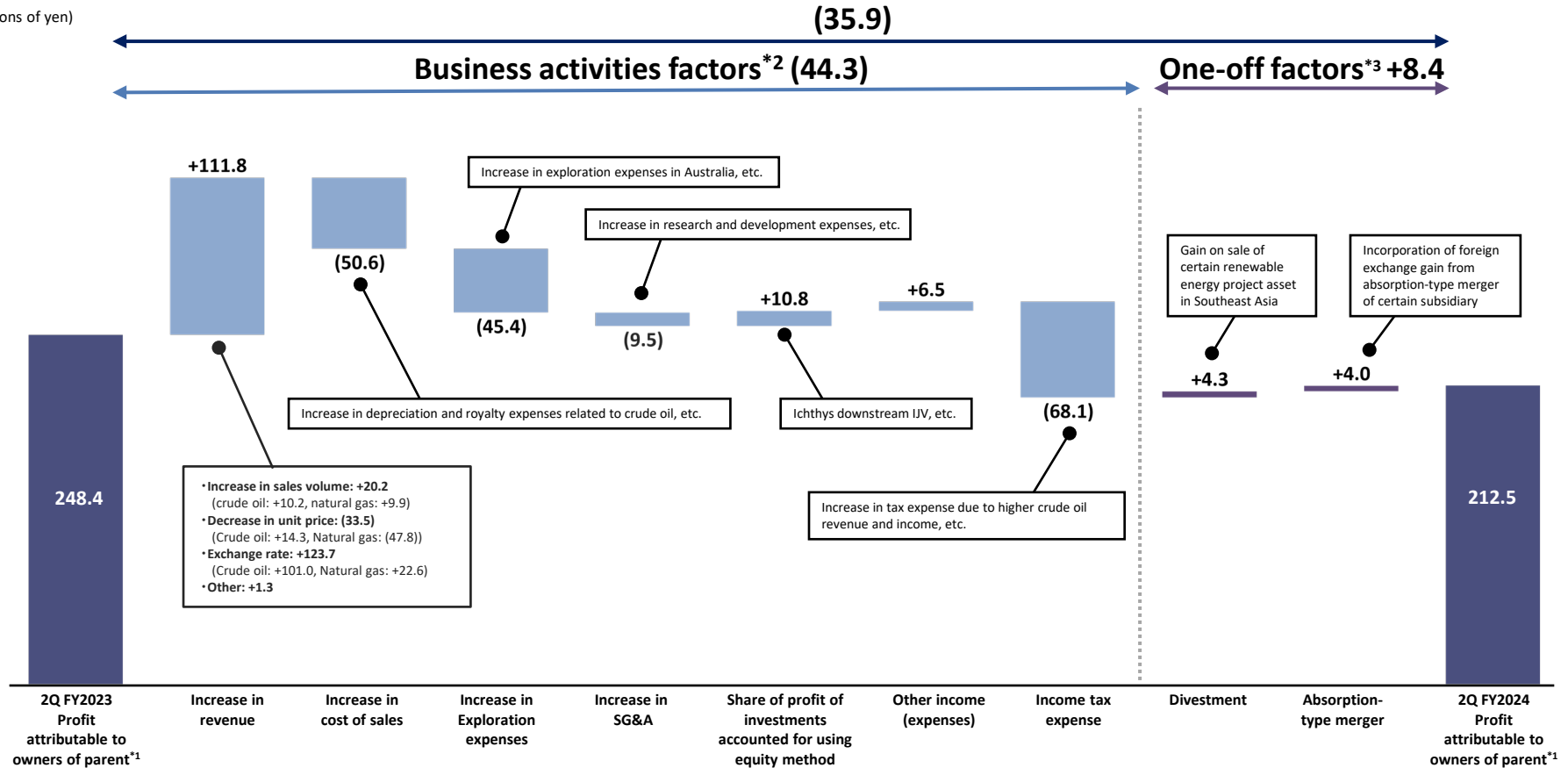
Analysis of Revenue

(Billions of yen)



Analysis of Results of Profit attributable to owners of parent (2Q FY2023 vs. 2Q FY2024)

(Billions of yen)



*1 For the convenience of analyzing factors that cause changes in profit attributable to owners of parent, the items in the Consolidated Statements of Profit or Loss are rearranged and aggregated.

*2 With regard to business activities factors, impacts on Income tax expense are listed separately, and impacts on profit attributable to non-controlling interests are included in other income (expenses).

*3 With regard to one-off factors, impacts on tax expense and profit attributable to non-controlling interests are included in each item.

4. Consolidated Financial Forecasts for the year ending December 31, 2024

Daisuke Yamada
Director, Senior Managing Executive Officer,
Finance & Accounting

Consolidated Financial Forecasts for the year ending December 31, 2024



Full Year *1	Previous Forecasts (May 14,2024)	Revised Forecasts (August 8,2024)	Change	% Change
Average crude oil price (Brent) (\$/bbl)	80.0	80.0	-	-
Average exchange rate (¥/\$)	145.0	148.0	3 yen Depreciation	2.1% Depreciation
Revenue (Billions of Yen)	2,178	2,254	76	3.5%
Operating profit (Billions of Yen)	1,210	1,249	39	3.2%
Profit before tax (Billions of Yen)	1,241	1,282	41	3.3%
Profit attributable to owners of parent (Billions of Yen)	360	360	-	-
ROIC (%)	7.5	7.5	-	-
ROE (%)	8.4	8.4	-	-
Net debt/equity ratio *2 *Includes Ichthys downstream IJV and differs from institutional accounting basis	0.30	0.33	0.03	10.0%

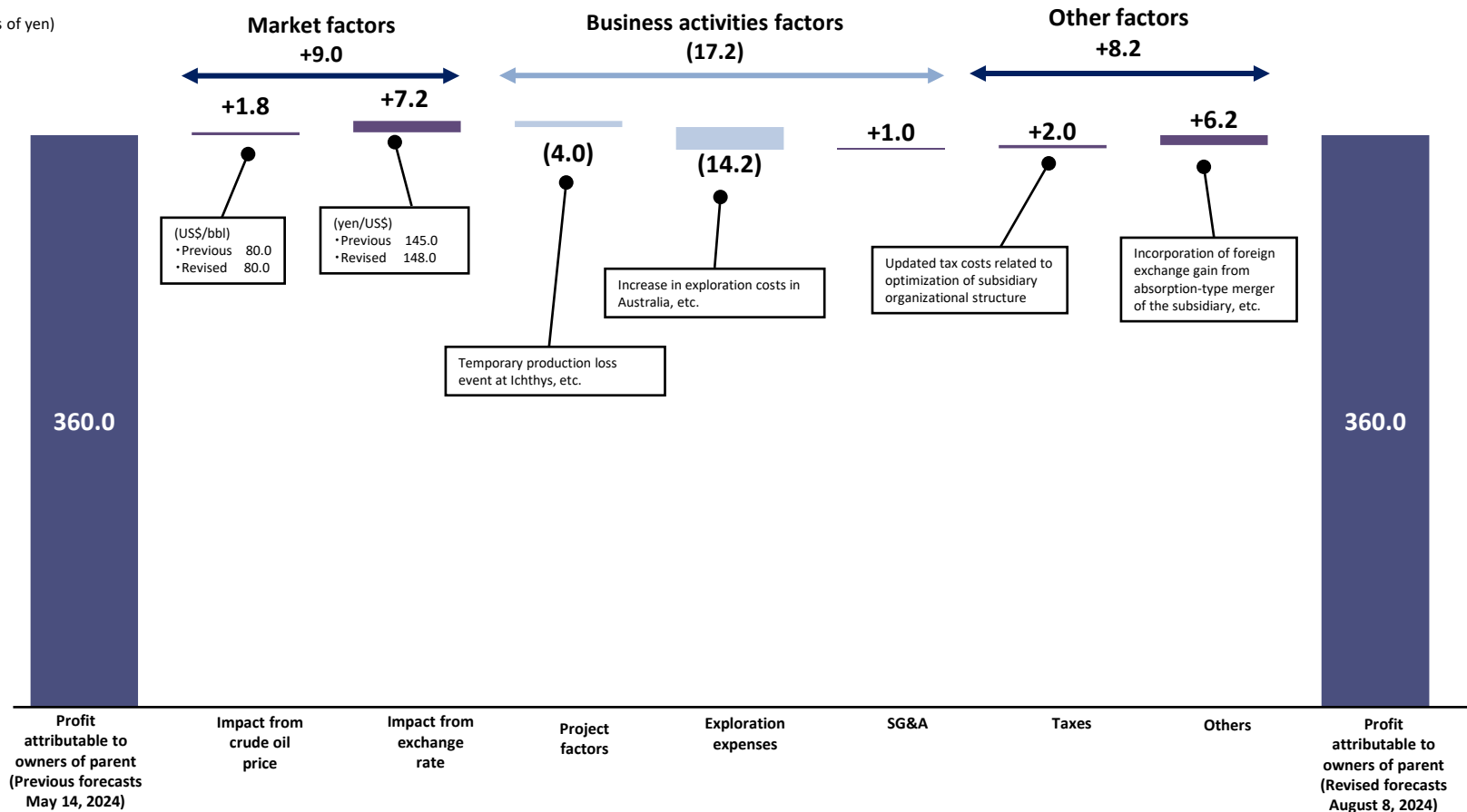
*1 Actual results for the first half and the forecast for the second half for FY2024 are referred on page 24.

*2 The formula has been changed as follows.

(Before) $\{\text{Debt} - (\text{Cash and deposits} + \text{Securities within 3 months} + \text{Securities over 3 months})\} / \text{Equity}$
 (After) $\{\text{Debt} + \text{Lease liabilities} - (\text{Cash and deposits} + \text{Securities within 3 months})\} / \text{Equity}$

Analysis of Change in Profit Forecasts (Previous vs. Revised)

(Billions of yen)



Cash Flow*1

	1. FY2022 Actual	2. FY2023 Actual	FY2024 Previous Forecasts (May 14, 2024)	3. FY2024 Revised Forecasts (August 8, 2024)	FY2022-2024 in total (1.+2.+3.)
(Billions of Yen)					
Cash Flow from Operations before exploration investment	1,061.6	1,068.7	844.0	906.0	3,036.3
Cash Flow from Investment (inclusive of exploration investment)	(377.8)	(578.9)	(422.0)	(388.0)	(1,344.7)
Growth Investment	(336.1)	(333.6)	(658.0)	(555.0)	(1,224.7)
Development expenditure (Oil & Gas Business)	(279.4)	(229.6)	(577.0)	(468.0)	(977.0)
Development expenditure (5 Net Zero Business)	(81.8)	(78.9)	(15.0)	(15.0)	(175.7)
Exploration expenditure (Oil & Gas Business, inclusive of some 5 Net Zero Business)	(30.4)	(44.6)	(78.0)	(84.0)	(159.0)
Others (inclusive of divestment of interests, etc.)	55.5	19.4	12.0	12.0	86.9
Others (purchase and disposal of investment securities, etc.)	(41.7)	(245.3)	236.0	167.0	(120.0)
Free Cash Flow	683.8	489.8	422.0	518.0	1,691.6
Financial Cash Flow	(634.6)	(563.9)	(429.0)	(525.0)	(1,723.5)
Shareholder Returns	(201.5)*3	(190.1)*3	(144.0)	(230.0)*3	(621.6)
Cash and cash equivalents at end of the year*2	284.6	207.1	200.0	200.0	-

*1 Including cash flow of Ichthys downstream IJV (Ichthys LNG Pty Ltd), a joint venture.

*2 Cash and cash equivalents indicate cash, deposits and securities within 3 months. (Change applies from FY2024 revised forecasts (August 8, 2024) and onwards)

*3 FY2022: FY2021 year end dividend (28 yen) + FY2022 interim dividend (30 yen) + buybacks

FY2023: FY2022 year end dividend (32 yen) + FY2023 interim dividend (37 yen) + buybacks

FY2024: FY2023 year end dividend (37 yen) + FY2024 interim dividend (43 yen) + buybacks (forecasts)

FY2024 Financial Forecasts

ROIC by Segment*



(%)	FY2023 Actual	FY2024 Previous Forecasts (May 14, 2024)	FY2024 Revised Forecasts (August 8, 2024)	Change
O&G Japan	17.8	7.0	7.4	0.4
O&G Overseas Ichthys	8.8	7.5	7.1	(0.4)
O&G Overseas Others	8.1	11.8	12.6	0.8
Others	1.5	(10.1)	(7.1)	3.0
Renewable Energy	(2.3)	(1.8)	(1.5)	0.3
Hydrogen and CCUS	-	-	-	
Consolidated financial statements	8.4	7.5	7.5	(0.0)

* Invested capital and adjusted profit for each of the segments are referred on page 27.

Appendix

Progress against Medium-term Business Plan 2022-2024



	FY2022 (Actual)	FY2023 (Actual)	2Q FY2024 (Actual)	FY2024 (Forecast)	FY2024 MTP Targets		
Assump- tions	Brent Oil Price (US\$ per barrel)	99.04	82.17	83.42	80.0	60	70
	Exchange rate (JPY/US\$)	131.64	140.66	152.36	148.0	110	110
Management Targets	Profit attributable to owners of parent *1 (Net income attributable to owners of parent for FY2022)	¥461.0 billion	¥321.7 billion	¥212.5 billion	¥360.0 billion	¥170.0 billion	¥240.0 billion
	Operating cashflow before exploration *1 (Includes Ichthys downstream IJV and differs from institutional accounting basis)	¥1,061.6 billion	¥1,068.7 billion	¥543.4 billion	¥906.0 billion	¥600.0 billion	¥700.0 billion
	ROE *1	13.5%	8.0%		8.4%	Around 6.0%	Around 8.0%
	Net debt/equity ratio *1 (Includes Ichthys downstream IJV and differs from institutional accounting basis)	0.46	0.31	0.34*2	0.33*2	0.5 or less	0.5 or less
Business Targets	Net production volume (boed)	622 thousand	630 thousand	662 thousand	645 thousand	Level exceeding 700 thousand boed	
	Production cost per barrel (excluding royalties)	US\$5.8	US\$5.6	US\$4.9	US\$5.6	Reduction towards US\$5 per barrel or below	
	Net Carbon Intensity { (equity share emissions volume (Scope 1+2) - offset) / (net production volume of upstream oil & gas business + electricity generated using renewable energy)}	28kg/boe	28kg/boe		28kg/boe	Reduction of 10% (4.1kg/boe) or more over a 3-year period towards 2030 target 2030 target: Reduction of 2019 net carbon intensity (41.1kg/boe) by over 30%	
	Safety	Zero major accidents	Zero major accidents	Zero major accidents	Aim to achieve zero major accidents	Zero major accidents Fatalities, major leaks and serious injuries, etc. at INPEX-operated projects	

*1 FY2022 figures are based on JGAAP. FY2023 and FY2024 figures are based on IFRS.

*2 The formula has been changed as follows. . (Change applies from FY2024 and onwards)
 (Before) {Debt -(Cash and deposits + Securities within 3 months + Securities over 3 months)}/Equity
 (After) {Debt + Lease liabilities -(Cash and deposits + Securities within 3 months)}/Equity

Consolidated Financial Forecasts for the year ending December 31, 2024



First Half Results and Second Half Forecasts

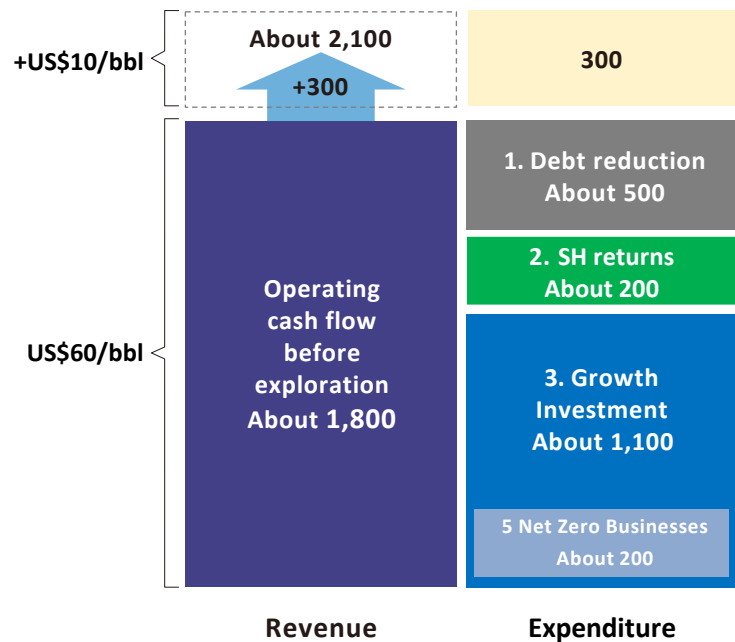
First half	Previous Forecasts (May 14,2024)	2Q Results (August 8,2024)	Change	% Change	Second half (Reference information)	Previous Forecasts (May 14,2024)	Revised Forecasts (August 8,2024)	Change	% Change
Average crude oil price (Brent) (\$/bbl)	82.5	83.42	0.92	1.2%	Average crude oil price (Brent) (\$/bbl)	77.5	76.6	(0.9)	(1.2%)
Average exchange rate (¥/\$)	148.0	152.36	4.36 yen Depreciation	2.9% Depreciation	Average exchange rate (¥/\$)	142.0	143.6	1.6 yen Depreciation	1.1% Depreciation
Revenue (Billions of Yen)	1,150.0	1,190.8	40.8	3.5%	Revenue (Billions of Yen)	1,028.0	1,063.2	35.2	3.4%
Operating profit (Billions of Yen)	666.0	700.0	34.0	5.1%	Operating profit (Billions of Yen)	544.0	549.0	5.0	0.9%
Profit before tax (Billions of Yen)	678.0	713.2	35.2	5.2%	Profit before tax (Billions of Yen)	563.0	568.8	5.8	1.0%
Profit attributable to owners of parent (Billions of Yen)	205.0	212.5	7.5	3.7%	Profit attributable to owners of parent (Billions of Yen)	155.0	147.5	(7.5)	(4.8%)

Cash Allocation

(Billions of yen)

Expected cash allocation for 2022-2024 (3-year period)

Assumptions: Inclusive of Ichthys downstream IJV, exchange Rate of ¥110/US\$



Cash allocation for 2022-2024 (3-year period)*

Assumptions: Inclusive of Ichthys downstream IJV, FY2024 figures are forecasts
 Brent oil price (3-year average): \$87.1
 Exchange rate (3-year average): ¥140.1/US\$



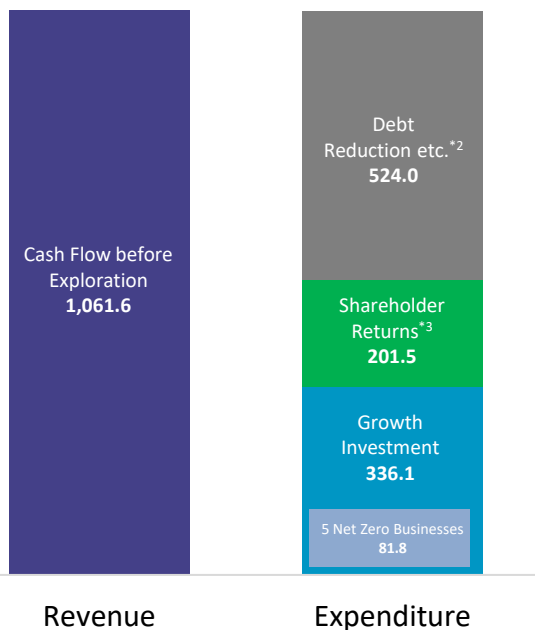
* Refer next page for yearly breakdown of cash allocation.

Cash Allocation of Operating Cash Flow before Exploration*1

(Billions of yen)

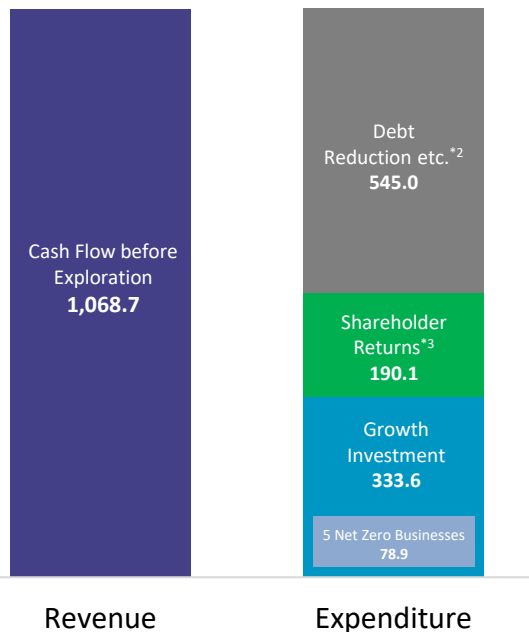
FY2022 Actual

Brent oil price \$99.0
Exchange rate ¥131.6/US\$



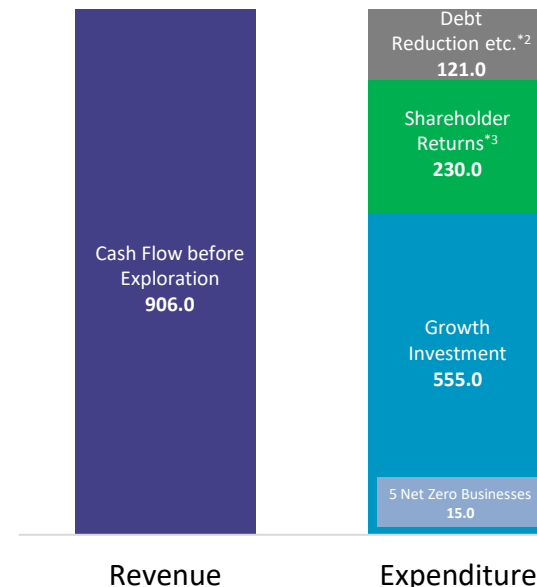
FY2023 Actual

Brent oil price \$82.2
Exchange rate ¥140.7/US\$



FY2024 Forecast

Assumptions:
Brent oil price \$80.0
Exchange rate ¥148.0/US\$



*1 Including cashflow of Ichthys downstream IJV (Ichthys LNG Pty Ltd), a joint venture.

*2 Including increase/decrease of cash and deposits etc.

*3 FY2022: FY2021 year end dividend (28 yen) + FY2022 interim dividend (30 yen) + buybacks
 FY2023: FY2022 year end dividend (32 yen) + FY2023 interim dividend (37 yen) + buybacks
 FY2024: FY2023 year end dividend (37 yen) + FY2024 interim dividend (43 yen) + buybacks (forecasts)

FY2024 Invested Capital and Adjusted Profit by Segment



(Billions of Yen)		Previous Forecasts (May 14, 2024)	Revised Forecasts (August 8, 2024)	Change
O&G Japan	Invested Capital* ¹	237.0	238.8	1.8
	Adjusted Profit* ²	16.5	17.7	1.2
O&G Overseas Ichthys	Invested Capital* ¹	4,077.7	4,120.3	42.6
	Adjusted Profit* ²	304.4	290.7	(13.7)
O&G Overseas Other	Invested Capital* ¹	1,349.4	1,357.0	7.6
	Adjusted Profit* ²	159.5	170.7	11.2
Other	Invested Capital* ¹	134.6	133.4	(1.3)
	Adjusted Profit* ²	(13.6)	(9.4)	4.2
Renewable Energy	Invested Capital* ¹	141.0	146.7	5.7
	Adjusted Profit* ²	(2.6)	(2.2)	0.4
Hydrogen and CCUS (inclusive of R&D expenses etc.)	Invested Capital* ¹	-	-	-
	Adjusted Profit* ²	(18.0)	(16.7)	1.3
Consolidated financial statements	Invested Capital* ¹	6,292.2	6,304.4	12.2
	Adjusted Profit* ²	474.7	474.9	0.2

*1 Invested capital : Annual average of the total of capital stock, interest-bearing liabilities as recorded in consolidated financial statements and project finance of the Ichthys downstream IJV.

*2 Adjusted profit : Profit before deduction of interest payments, impairment loss etc., non-controlling shareholder profit/loss.

Ichthys Project

Cargoes Shipped by Product Type



	2018	2019	2020	2021	2022	2023
LNG	11	104	122	117	112	129
Plant Condensate (Onshore)	1	19	22	21	21	23
Field Condensate (Offshore)	4	29	34	32	29	29
LPG	2	27	34	32	30	34

FY2024	January	February	March	April	May	June	July	August	September	October	November	December	Total
LNG	10	12	12	10	11	11	10	-	-	-	-	-	76
Plant Condensate (Onshore)	2	2	2	2	2	2	2	-	-	-	-	-	14
Field Condensate (Offshore)	3	2	3	3	2	3	2	-	-	-	-	-	18
LPG	3	2	4	2	3	3	3	-	-	-	-	-	20

Statement of Financial Position

(Billions of yen)	December 2023	June 2024	Change	% Change
Current assets	838.4	1,119.9	281.4	33.6%
Non-current assets	5,901.0	6,645.7	744.6	12.6%
(Oil and gas assets)	3,601.5	3,988.6	387.0	10.7%
(Investments accounted for using equity method)	751.9	947.2	195.3	26.0%
(Loans receivable)	1,306.5	1,448.2	141.7	10.8%
Total assets	6,739.4	7,765.6	1,026.1	15.2%
Current liabilities	572.2	778.0	205.8	36.0%
Non-current liabilities	1,668.2	1,743.9	75.6	4.5%
Equity	4,499.0	5,243.6	744.6	16.6%
(Exchange differences on translation of foreign operation)	694.9	1,275.6	580.6	83.5%
Closing exchange rate (¥/US\$)	141.82	161.14	19.32	13.6%
(Non-controlling interests)	289.9	316.5	26.6	9.2%
Total liabilities and equity	6,739.4	7,765.6	1,026.1	15.2%
Equity attributable to owners of parent per share (Yen)	3,345.22	3,948.66	603.44	18.0%

Summary of financial information for Ichthys downstream IJV, a joint venture (100% basis, including the Company's equity share 67.82%) is as follows:

(Billions of yen)	
• Current assets:	194.5
• Non-current assets*:	4,841.9
• Current liabilities:	387.9
• Non-current liabilities:	3,493.4
• Equity:	1,155.1

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

Of which the total of interest-bearing debt is 1,300.5 billion yen. Adding the off-balance interest-bearing debt of the Ichthys downstream IJV brings the total of INPEX net debt^{*1} to 1,674.1 billion yen. (Net D/E Ratio^{*2} is 0.34)

Forecasts for December 2024 are as follows:

- Exchange differences on translation of foreign operation: ¥655.3 billion
- Closing exchange rate: ¥140.0/US\$

*1 The formula has been changed as follows: (Change applies from this results announcement)
 (Before) Debt -(Cash and deposits + Securities within 3 months + Securities over 3 months)
 (After) Debt + Lease liabilities -(Cash and deposits + Securities within 3 months)

*2 The formula has been changed as follows: (Change applies from this results announcement)
 (Before) {Debt -(Cash and deposits + Securities within 3 months + Securities over 3 months)}/Equity
 (After) {Debt + Lease liabilities -(Cash and deposits + Securities within 3 months)}/Equity

Statement of Profit or Loss



(Billions of Yen)	2Q FY2023	2Q FY2024	Change	% Change									
Revenue	1,078.9	1,190.8	111.8	10.4%	<table border="1"> <tr> <td>Increase in sales volume:</td> <td>+20.2</td> </tr> <tr> <td>Decrease in unit price:</td> <td>(33.5)</td> </tr> <tr> <td>Exchange rate:</td> <td>+123.7</td> </tr> <tr> <td>Others :</td> <td>+1.3</td> </tr> </table>	Increase in sales volume:	+20.2	Decrease in unit price:	(33.5)	Exchange rate:	+123.7	Others :	+1.3
Increase in sales volume:	+20.2												
Decrease in unit price:	(33.5)												
Exchange rate:	+123.7												
Others :	+1.3												
Cost of sales	(425.3)	(473.1)	(47.8)	11.2%									
Gross profit	653.6	717.6	64.0	9.8%	<table border="1"> <tr> <td>Cost of sales for crude oil:</td> <td>(314.8)</td> </tr> <tr> <td>Change:</td> <td>(41.4)</td> </tr> <tr> <td>Cost of sales for natural gas:</td> <td>(148.6)</td> </tr> <tr> <td>Change:</td> <td>(5.1)</td> </tr> </table>	Cost of sales for crude oil:	(314.8)	Change:	(41.4)	Cost of sales for natural gas:	(148.6)	Change:	(5.1)
Cost of sales for crude oil:	(314.8)												
Change:	(41.4)												
Cost of sales for natural gas:	(148.6)												
Change:	(5.1)												
Exploration expenses	(3.9)	(49.4)	(45.4)	—									
Selling, general and administrative expenses	(50.2)	(59.8)	(9.5)	19.0%									
Other operating income	14.1	19.7	5.6	39.5%									
Other operating expenses	(12.1)	(5.9)	6.2	(51.4%)									
Share of profit (loss) of investments accounted for using equity method	5.8	77.7	71.9	—									
Operating profit	607.2	700.0	92.8	15.3%									
Finance income	141.4	82.8	(58.6)	(41.5%)									
Finance costs	(39.2)	(69.6)	(30.4)	77.5%									
Profit before tax	709.5	713.2	3.7	0.5%									
Income tax expense	(454.4)	(502.2)	(47.7)	10.5%									
Profit (loss) attributable to non-controlling interests	6.5	(1.6)	(8.1)	—									
Profit attributable to owners of parent	248.4	212.5	(35.9)	(14.5%)									

Other Income and Expenses / Finance Income and Costs

(Billions of Yen)	2Q FY2023	2Q FY2024	Change	Change %	Note
Other operating income	14.1	19.7	5.6	39.5%	
Foreign exchange gain	—	3.3	3.3	—	
Other	14.1	16.4	2.2	15.8%	
Other operating expenses	(12.1)	(5.9)	6.2	(51.4%)	
Foreign exchange loss	(9.2)	—	9.2	(100.0%)	
Other	(2.9)	(5.9)	(2.9)	101.5%	
Finance income	141.4	82.8	(58.6)	(41.5%)	
Interest income	44.6	64.5	19.9	44.7%	
Dividend income	3.7	5.1	1.4	36.9%	
Gain arising from changes in terms of financial assets without derecognition and others ^{*1}	92.7	10.8	(81.8)	(88.3%)	Income related to revaluation of financial assets ^{*1}
Other	0.2	2.1	1.8	618.6%	
Finance costs	(39.2)	(69.6)	(30.4)	77.5%	
Interest expense	(36.3)	(52.7)	(16.4)	45.1%	
Other	(2.8)	(16.8)	(14.0)	488.1%	Includes derivative valuation losses ^{*2}

*1 In accordance with IFRS 9 “Financial Instruments” implemented to foreign consolidated subsidiaries, the gain or loss is recognized mainly due to modification of financial assets that do not result in derecognition, revisions to estimated future cash flows of financial assets, and other factors. It includes the gain or loss incurred from transactions with joint ventures, and such gain or loss is adjusted for shares of profit of investments accounted for using equity method and tax effect accounting. As a result, the impact on profit attributable to owners of parent is immaterial.

*2 The Company recognizes the estimated present value of costs related to future removal and abandonment of oil and natural gas production facilities, etc. as asset retirement obligations. There may be fluctuations in profit or loss due to changes in the discount rate used to reevaluate the present value of asset retirement obligations at the end of each quarter. To neutralize the profit or loss impact, the group has been utilizing derivative transactions (interest rate swaps) since FY2024. Derivative valuation gains or losses arising from these transactions are recognized as finance income or finance costs, and they are offset by the profit or loss resulting from the revaluation of the asset retirement obligations for the purpose of neutralization. As a result, the impact on profit attributable to owners of parent is immaterial.

Revenue

(Billions of Yen)		Product	2Q FY2023	2Q FY2024	Change	% Change
Oil & Gas	Japan	Crude Oil	2.5	2.2	(0.2)	(11.5%)
		Natural Gas (excluding LPG)	132.3	101.3	(30.9)	(23.4%)
		Other	3.6	3.5	(0.1)	(3.2%)
		Total	138.5	107.1	(31.3)	(22.7%)
	Australia & Southeast Asia	Crude Oil	101.3	115.0	13.7	13.5%
		Natural Gas (excluding LPG)	146.7	166.7	19.9	13.6%
		Other	2.8	3.2	0.4	14.7%
		Total	250.9	284.9	34.0	13.6%
	Europe	Crude Oil	44.1	44.8	0.7	1.6%
		Natural Gas (excluding LPG)	15.5	11.2	(4.2)	(27.5%)
		Other	0.1	0.1	(0.0)	(8.6%)
		Total	59.7	56.1	(3.5)	(6.0%)
	Abu Dhabi and others (Middle East, NIS etc.)	Crude Oil	614.8	724.2	109.3	17.8%
		Natural Gas (excluding LPG)	0.8	1.0	0.1	22.1%
		Other	0.0	-	(0.0)	(100.0%)
		Total	615.7	725.3	109.5	17.8%
Other	Crude Oil	3.6	5.8	2.1	59.2%	
	Natural Gas (excluding LPG)	0.9	0.9	(0.0)	(5.5%)	
	Other	9.3	10.4	1.0	11.6%	
	Total	14.0	17.1	3.1	22.8%	
Total	Crude Oil	766.5	892.1	125.6	16.4%	
	Natural Gas (excluding LPG)	296.5	281.3	(15.1)	(5.1%)	
	Other	15.9	17.3	1.3	8.5%	
	Total	1,078.9	1,190.8	111.8	10.4%	

2Q FY2024 Sales Volume

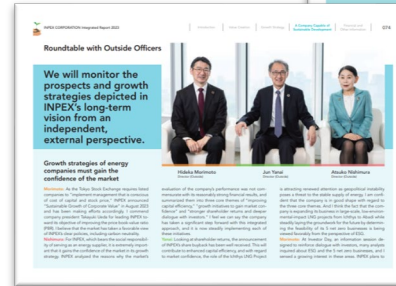


		Product	2Q FY2023	2Q FY2024	Change	% Change
Oil & Gas	Japan	Crude Oil (thousand bbl)	239	183	(55)	(23.1%)
		Natural Gas (excluding LPG) (million cf)	48,338	49,295	958	2.0%
	Australia & Southeast Asia	Crude Oil (thousand bbl)	9,273	8,998	(276)	(3.0%)
		Natural Gas (excluding LPG) (million cf)	187,484	195,954	8,471	4.5%
	Europe	Crude Oil (thousand bbl)	3,863	3,397	(467)	(12.1%)
		Natural Gas (excluding LPG) (million cf)	8,278	8,118	(160)	(1.9%)
	Abu Dhabi and others (Middle East, NIS etc.)	Crude Oil (thousand bbl)	56,326	58,057	1,731	3.1%
		Natural Gas (excluding LPG) (million cf)	5,284	5,326	42	0.8%
	Other	Natural Gas (excluding LPG) (million cf)	172	181	9	5.0%
	Total	Crude Oil (thousand bbl)	69,701	70,635	934	1.3%
Natural Gas (excluding LPG) (million cf)		249,555	258,874	9,319	3.7%	

Net Production Volume*

		Product	2Q FY2023	2Q FY2024	Change	% Change
Oil & Gas	Japan	Crude Oil (thousand bbl)	471	416	△ 55	△11.7%
		Natural Gas (million cf)	17,582	15,460	△ 2,121	△12.1%
		Iodine(ton)	281	279	△ 2	△0.9%
		Electric power generation (million KWh)	103	94	△ 9	△8.8%
	Australia & Southeast Asia	Crude Oil (thousand bbl)	9,076	8,920	△ 156	△1.7%
		Natural Gas (million cf)	216,278	233,773	17,494	8.1%
	Europe	Crude Oil (thousand bbl)	4,173	3,319	△ 854	△20.5%
		Natural Gas (million cf)	7,873	8,154	281	3.6%
	Abu Dhabi and others (Middle East, NIS etc.)	Crude Oil (thousand bbl)	56,572	57,906	1,334	2.4%
		Natural Gas (million cf)	5,173	5,330	157	3.0%
		Sulfur (thousand ton)	64	80	16	24.5%
	Others	Electric power generation (million KWh)	724	1,113	389	53.8%
Total	Crude Oil (thousand bbl)	70,292	70,560	269	0.4%	
	Natural Gas (million cf)	246,906	262,718	15,812	6.4%	
	Iodine(ton)	281	279	△ 2	△0.9%	
	Sulfur (thousand ton)	64	80	16	24.5%	
	Electric power generation (million KWh)	827	1,207	380	46.0%	

* The volume of LPG produced overseas is included in "Crude Oil."



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