
Financial Results

for the nine months ended December 31, 2017

INPEX CORPORATION

February 8, 2018

Cautionary Statement

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.

Subsidiaries and Affiliates



63 consolidated subsidiaries

Major subsidiaries	Country/region	Ownership	Stage	Accounting term
Japan Oil Development Co., Ltd.	UAE	100%	Production	March (provisional settlement of account)
JODCO Onshore Limited	UAE	51 %	Production	December
INPEX Sahul, Ltd.	Timor Sea Joint Petroleum Development Area	100%	Production	December
INPEX Ichthys Pty Ltd	Australia	100%	Development	March (provisional settlement of account)
INPEX Southwest Caspian Sea, Ltd.	Azerbaijan	51%	Production	March (provisional settlement of account)
INPEX North Caspian Sea, Ltd.	Kazakhstan	45%	Production	March (provisional settlement of account)
INPEX Oil & Gas Australia Pty Ltd	Australia	100%	Development	December
INPEX Gas British Columbia Ltd.	Canada	45.09%	Production/ Evaluation	December

20 equity method affiliates

Major affiliates	Country/region	Ownership	Stage	Accounting term
MI Berau B.V.	Indonesia	44%	Production	December
Angola Block 14 B.V.	Angola	49.99%	Production	December
INPEX Offshore North Campos, Ltd.	Brazil	37.5%	Production	December
Ichthys LNG Pty Ltd	Australia	62.245%	Development	March (provisional settlement of account)

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Highlights of the Consolidated Financial Results for the nine months ended December 31, 2017



	Apr. - Dec. '16	Apr. - Dec. '17	Change	%Change
Net sales (Billions of yen)	623.4	703.6	80.1	12.9%
Crude oil sales	444.3	531.2	86.8	19.5%
Natural gas sales (including LPG)	169.5	162.4	(7.1)	(4.2%)
Others	9.5	9.9	0.4	4.7%
Operating income (Billions of yen)	235.8	287.8	52.0	22.1%
Ordinary income (Billions of yen)	256.5	308.2	51.7	20.2%
Net income attributable to owners of parent (Billions of yen)	47.9	53.4	5.4	11.4%
Net income per share (Yen)	32.82	36.57	3.75	11.4%

Average number of INPEX shares issued and outstanding during the nine months ended Dec 31, 2017: 1,460,357,100

Average crude oil price (Brent) (\$/bbl)	48.34	54.79	6.45	13.3%
Average exchange rate (¥/\$)	106.65	111.69	5.04yen depreciation	4.7% depreciation

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Crude Oil Sales



	Apr. - Dec. '16	Apr. - Dec. '17	Change	%Change
Net sales (Billions of yen)	444.3	531.2	86.8	19.5%

Sales volume (thousand bbl)	92,741	87,781	(4,960)	(5.3%)
Average unit price of overseas production (\$/bbl)	44.62	53.86	9.24	20.7%
Average unit price of domestic production (¥/kl)	33,264	40,112	6,848	20.6%
Average exchange rate (¥/\$)	107.28	111.83	4.55yen depreciation	4.2% depreciation

Sales volume by region (thousand bbl)	Apr. - Dec. '16	Apr. - Dec. '17	Change	%Change
Japan	598 (95.0 thousand kl)	703 (111.8 thousand kl)	105 (+16.8 thousand kl)	17.6%
Asia & Oceania	9,779	6,135	(3,643)	(37.3%)
Eurasia (Europe & NIS)	9,258	10,250	993	10.7%
Middle East & Africa	71,489	69,378	(2,111)	(3.0%)
Americas	1,619	1,314	(304)	(18.8%)
Total	92,741	87,781	(4,960)	(5.3%)

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Natural Gas Sales (excluding LPG)



	Apr. - Dec. '16	Apr. - Dec. '17	Change	%Change
Net sales (Billions of yen)	164.0	156.9	(7.0)	(4.3%)

Sales volume (million cf)	249,896	213,169	(36,727)	(14.7%)
Average unit price of overseas production (\$/thousand cf)	5.04	5.07	0.03	0.6%
Average unit price of domestic sales (¥/m ³)	43.11	46.09	2.98	6.9%
Average exchange rate (¥/\$)	106.62	111.16	4.54yen depreciation	4.3% depreciation

Sales volume by region (million cf)	Apr. - Dec. '16	Apr. - Dec. '17	Change	%Change
Japan	48,249 (1,293million m ^{3*})	54,859 (1,470million m ^{3*})	6,610 (+177million m ^{3*})	13.7%
Asia & Oceania	172,518	122,453	(50,064)	(29.0%)
Eurasia (Europe & NIS)	511	5,688	5,177	-
Middle East & Africa	-	-	-	-
Americas	28,619	30,168	1,550	5.4%
Total	249,896	213,169	(36,727)	(14.7%)

*1m³=41.8605MJ

(FYI) LPG Sales

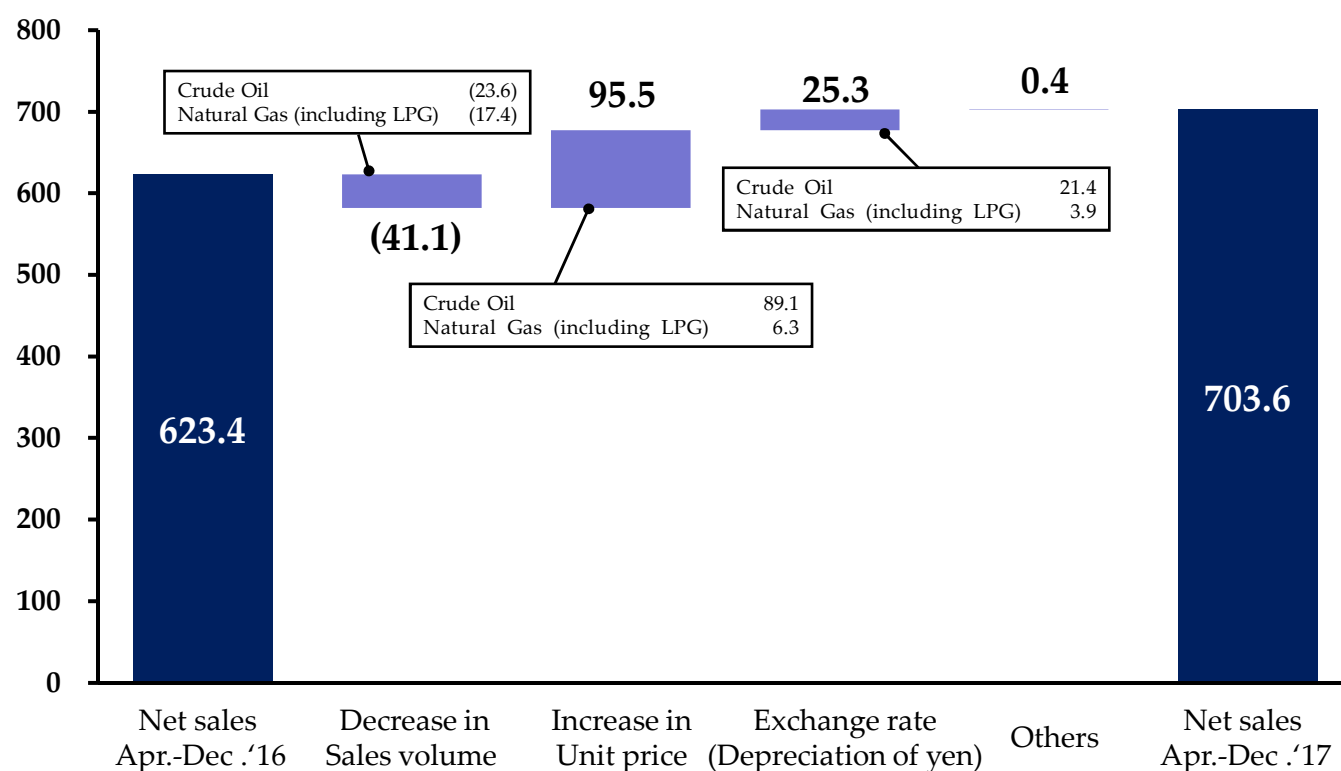
	Apr. - Dec. '16	Apr. - Dec. '17	Change	%Change
Net Sales (Billions of yen)	5.5	5.4	(0.0)	(1.8%)

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Analysis of Net Sales Increase

INPEX

(Billions of Yen)



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Statement of Income

INPEX

(Billions of Yen)

	Apr. - Dec. '16	Apr. - Dec. '17	Change	%Change
Net sales	623.4	703.6	80.1	12.9%
Cost of sales	324.9	354.6	29.6	9.1%
Gross profit	298.4	349.0	50.5	16.9%
Exploration expenses	5.4	1.7	(3.7)	(67.9%)
Selling, general and administrative expenses	57.2	59.3	2.1	3.7%
Operating income	235.8	287.8	52.0	22.1%
Other income	26.7	30.8	4.0	15.2%
Other expenses	5.9	10.4	4.4	73.9%
Ordinary income	256.5	308.2	51.7	20.2%
Total income taxes	198.3	248.7	50.4	25.4%
Net income (loss) attributable to non-controlling interests	10.3	6.1	(4.2)	(40.8%)
Net income attributable to owners of parent	47.9	53.4	5.4	11.4%

Category	Value (Billions of Yen)
Decrease in sales volume :	(41.1)
Increase in unit price :	+95.5
Exchange rate (Depreciation of yen) :	+25.3
Others :	+0.4

Category	Value (Billions of Yen)
Cost of sales for Crude Oil :	252.0
(Change)	+31.3
Cost of sales for Natural Gas* :	93.7
(Change)	(1.9)
* Including LPG	

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Other Income/Expenses

INPEX

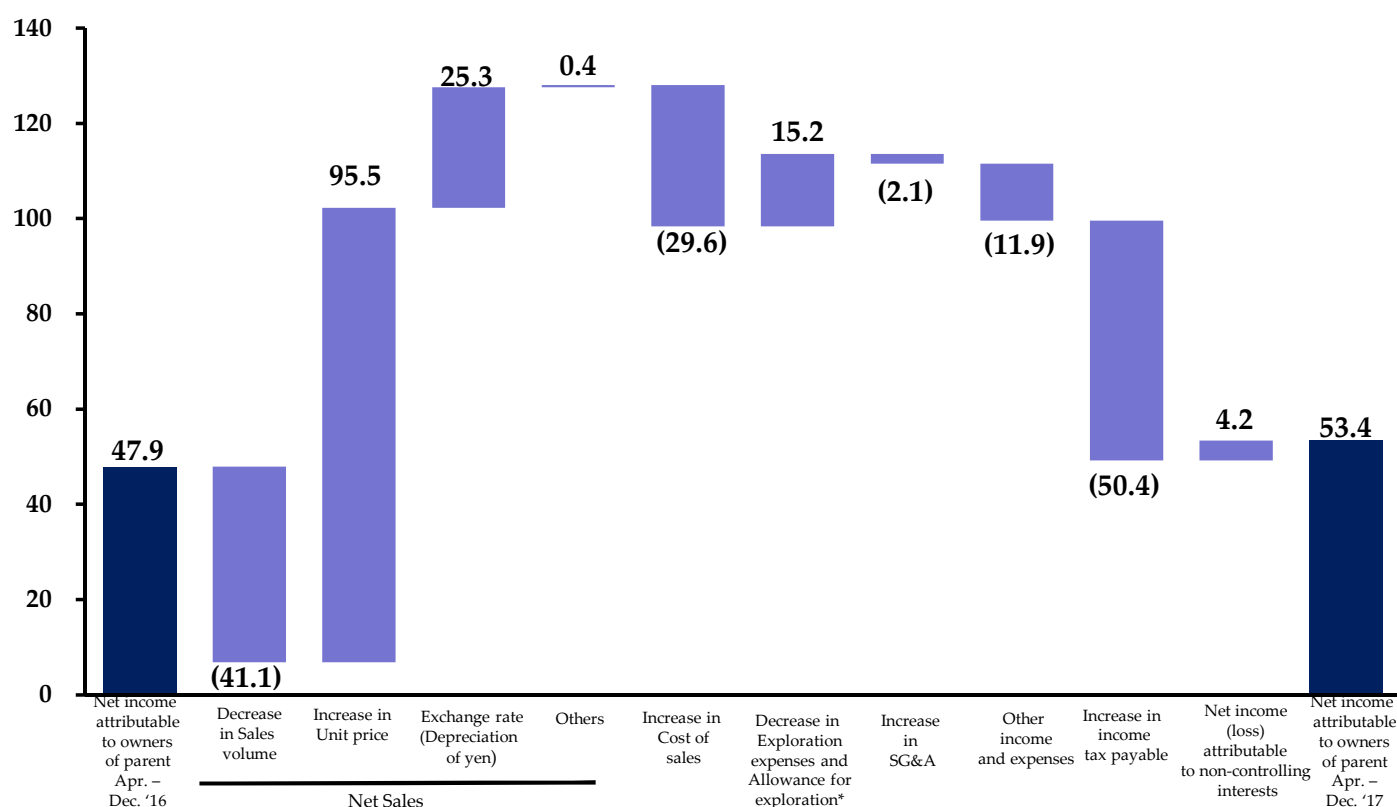
(Billions of Yen)	Apr. - Dec. '16	Apr. - Dec. '17	Change	%Change
Other income	26.7	30.8	4.0	15.2%
Interest income	8.5	5.8	(2.6)	(31.3%)
Dividend income	2.0	2.7	0.7	35.3%
Equity in earnings of affiliates	0.5	2.6	2.1	-
Gain on reversal of allowance for recoverable accounts under production sharing	-	11.2	11.2	-
Foreign exchange gain	0.7	0.7	0.0	6.5%
Other	14.9	7.5	(7.3)	(49.4%)
Other expenses	5.9	10.4	4.4	73.9%
Interest expense	3.8	5.0	1.2	32.0%
Provision for allowance for recoverable accounts under production sharing	0.3	-	(0.3)	-
Other	1.8	5.3	3.5	191.9%

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Analysis of Net Income Increase

INPEX

(Billions of Yen)



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*Provision for (gain on reversal of) allowance for recoverable accounts under production sharing

Revisions of Financial Forecasts for the year ending March 31, 2018



- Assumptions

(November 8, 2017)	1 st half	2 nd half	Full year
Crude oil price (Brent) (US\$/bbl)	51.5	55.0	53.3
Exchange rate (yen/US\$)	111.1	110.0	110.5



(February 8, 2018)	1 st half	2 nd half	Full year
Crude oil price (Brent) (US\$/bbl)	51.5	63.2 ※1	57.3
Exchange rate (yen/US\$)	111.1	111.5 ※2	111.3

*1 3rd quarter (Actual) : US\$61.5/bbl, 4th quarter (Forecast) : US\$65.0/bbl *2 3rd quarter (Actual) : ¥113.0/US\$, 4th quarter (Forecast) : ¥110.0/US\$

- Financial Forecasts for the year ending March 31, 2018

	Previous forecasts (November 8, 2017)	Revised forecasts (February 8, 2018)	Change	% Change
Net sales (billions of yen)	877.0	917.0	40.0	4.6%
Operating income (billions of yen)	341.0	349.0	8.0	2.3%
Ordinary income (billions of yen)	367.0	368.0	1.0	0.3%
Net income attributable to owners of parent (billions of yen)	52.0	52.0	-	-

Based on the future outlook of natural gas prices in the Americas, etc., the Company is currently reevaluating the assets of its upstream projects in the Americas. In the event the results of this revaluation indicate an expected impact on financial results, the Company will issue an announcement.

- Dividend per share

	End of 2Q	End of fiscal year (forecast)
10 Year ending March 31, 2018 (yen)	9	9



Appendix

LPG Sales

	Apr. - Dec. '16	Apr. - Dec. '17	Change	%Change
Net sales (Billions of yen)	5.5	5.4	(0.0)	(1.8%)
Sales volume (thousand bbl)	1,625	1,094	(531)	(32.7%)
Average unit price of overseas production (\$/bbl)	32.26	44.65	12.39	38.4%
Average unit price of domestic production (¥/kg)	52.73	73.49	20.76	39.4%
Average exchange rate (¥/\$)	106.29	112.06	5.77yen depreciation	5.4% depreciation

Sales volume by region (thousand bbl)	Apr. - Dec. '16	Apr. - Dec. '17	Change	%Change
Japan	4 (0.4 thousand ton)	4 (0.4 thousand ton)	(0) (-0.0 thousand ton)	(8.4%)
Asia & Oceania	1,621	1,090	(531)	(32.8%)
Eurasia (Europe & NIS)	-	-	-	-
Middle East & Africa	-	-	-	-
Americas	-	-	-	-
Total	1,625	1,094	(531)	(32.7%)

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Balance Sheet

(Billions of yen)	Mar. '17	Dec. '17	Change	%Change
Current assets	942.9	652.6	(290.3)	(30.8%)
Tangible fixed assets	1,928.5	2,103.1	174.5	9.0%
Intangible assets	521.2	497.5	(23.6)	(4.5%)
Recoverable accounts under production sharing	611.9	590.4	(21.4)	(3.5%)
Other	424.2	658.9	234.7	55.3%
Less allowance for recoverable accounts under production sharing	(116.8)	(82.7)	34.1	(29.2%)
Total assets	4,312.1	4,420.0	107.8	2.5%
Current liabilities	297.4	316.6	19.2	6.5%
Long-term liabilities	807.1	855.1	47.9	5.9%
Total net assets	3,207.5	3,248.1	40.6	1.3%
(Non-controlling interests)	264.3	267.5	3.1	1.2%
Total liabilities and net assets	4,312.1	4,420.0	107.8	2.5%
Net assets per share (Yen)	2,015.38	2,041.02	25.64	1.3%

Available fund (Billions of yen)* : 430.8

Breakdown

- Cash and deposits : 424.8
- Available investment securities : 5.9

*Amounts to be allocated to the investments based on the investment plan

Summary of financial information for Ichthys downstream JV (100% basis, including the Company's equity share 62.245%) (Billions of yen)

- Current assets : 50.3
- Fixed assets : 3,543.8
- Total assets : 3,594.2

Total shareholders' equity : +27.1
Accumulated other comprehensive income (Billions of yen) : +10.3

- Unrealized holding gain on securities : +9.6
- Unrealized gain from hedging instruments : +6.5
- Translation adjustments : (5.9)

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Statement of Cash Flows

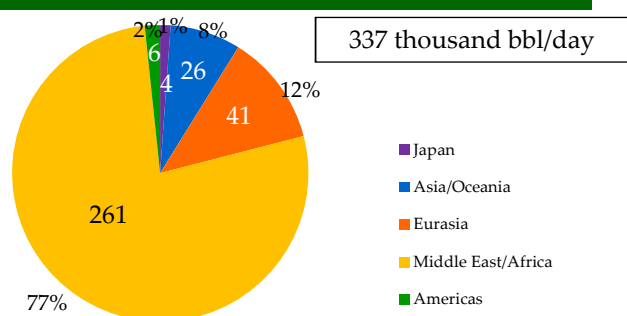


(Billions of Yen)	Apr. - Dec. '16	Apr. - Dec. '17	Change	%Change
Income before income taxes	256.5	308.2	51.7	20.2%
Depreciation and amortization	67.5	69.7	2.1	3.2%
Recovery of recoverable accounts under production sharing (capital expenditures)	61.2	52.2	(9.0)	(14.7%)
Recoverable accounts under production sharing (operating expenditures)	(4.3)	4.8	9.1	-
Income taxes paid	(188.8)	(228.4)	(39.5)	21.0%
Other	(6.3)	5.2	11.6	-
Net cash provided by (used in) operating activities	185.8	211.9	26.1	14.0%
Payments for time deposits / Proceeds from time deposits	295.6	317.1	21.4	7.3%
Payments for purchases of tangible fixed assets	(213.8)	(204.3)	9.4	(4.4%)
Payments for purchases of investment securities	(13.9)	(128.4)	(114.5)	-
Investment in recoverable accounts under production sharing (capital expenditures)	(33.9)	(19.8)	14.0	(41.5%)
Long-term loans made / Collection of long-term loans receivable	(131.0)	(111.9)	19.0	(14.6%)
Other	5.5	11.3	5.8	106.6%
Net cash provided by (used in) investing activities	(91.5)	(136.1)	(44.6)	48.7%
Net cash provided by (used in) financing activities	29.0	14.5	(14.5)	(49.9%)
Cash and cash equivalents at end of the period	180.8	407.9	227.0	125.5%

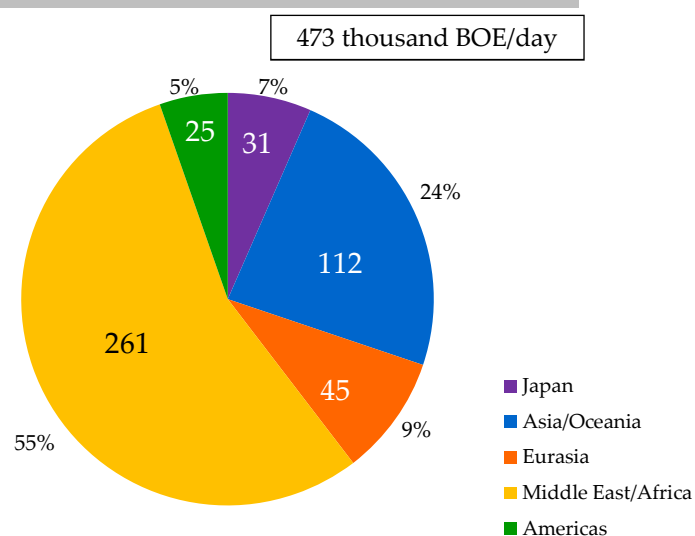
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Net Production* (Apr. 2017 – Dec. 2017)

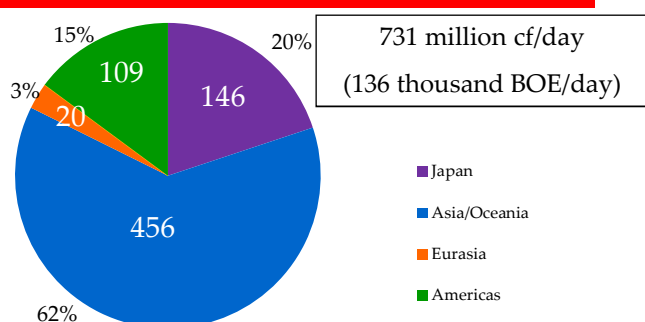
Oil/Condensate/LPG



Total



Natural Gas

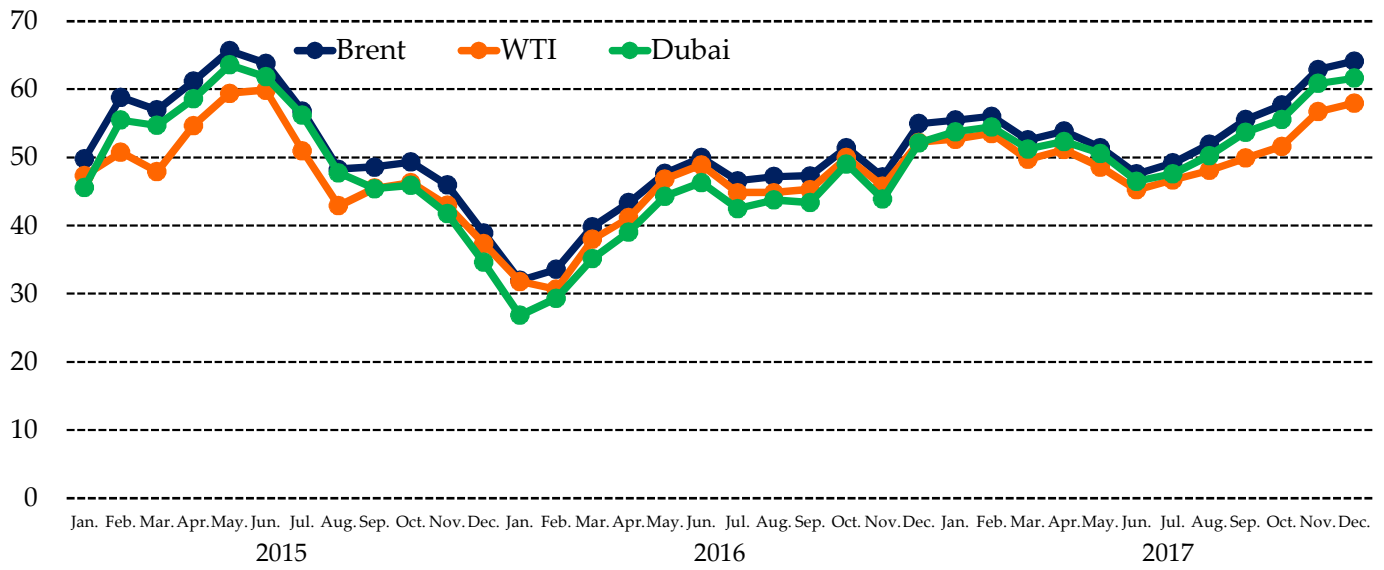


15 * The production volume of crude oil and natural gas under the production sharing contracts entered into by INPEX Group corresponds to the net economic take of INPEX Group.

Crude Oil Price Movements



(US\$/bbl)



	Apr. - Dec. 2016	Apr. 2016 - Mar. 2017	2017										Apr. - Dec. 2017
	Average	Average	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Average	
Brent	48.34	49.88	53.82	51.39	47.55	49.15	51.87	55.51	57.65	62.87	64.09	54.79	
WTI	46.61	47.93	51.12	48.54	45.2	46.68	48.06	49.88	51.59	56.66	57.95	50.63	
Dubai	44.89	46.95	52.29	50.54	46.47	47.57	50.22	53.67	55.55	60.82	61.6	53.19	