
Financial Results for the year ended March 31, 2019

Support Material

INPEX CORPORATION

May 13, 2019

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.

Highlights of the Consolidated Financial Results for the year ended March 31, 2019



	Apr. '17 - Mar. '18	Apr. '18 - Mar. '19	Change	%Change
Net sales (Billions of yen)	933.7	971.3	37.6	4.0%
Crude oil sales	710.2	782.6	72.4	10.2%
Natural gas sales (including LPG)	208.1	170.7	(37.3)	(18.0%)
Others	15.3	17.9	2.6	17.4%
Operating income (Billions of yen)	357.3	474.2	116.9	32.7%
Ordinary income (Billions of yen)	387.2	519.2	132.0	34.1%
Net income attributable to owners of parent (Billions of yen)	40.3	96.1	55.7	138.1%
Net income per share (Yen)	27.64	65.81	38.17	138.1%

Average number of INPEX shares issued and outstanding during the year ended March 31, 2019: 1,460,260,300

Average crude oil price (Brent) (\$/bbl)	57.85	70.86	13.01	22.5%
Average exchange rate (¥/\$)	110.86	110.93	0.07yen depreciation	0.1% depreciation

2

Crude Oil Sales



	Apr. '17 - Mar. '18	Apr. '18 - Mar. '19	Change	%Change
Net sales (Billions of yen)	710.2	782.6	72.4	10.2%

Sales volume (thousand bbl)	112,882	100,503	(12,379)	(11.0%)
Average unit price of overseas production (\$/bbl)	56.30	70.30	14.00	24.9%
Average unit price of domestic production (¥/kl)	42,143	51,667	9,524	22.6%
Average exchange rate (¥/\$)	111.35	110.73	0.62yen Appreciation	0.6% Appreciation

Sales volume by region (thousand bbl)	Apr. '17 - Mar. '18	Apr. '18 - Mar. '19	Change	%Change
Japan	940 (149.5 thousand kl)	789 (125.4 thousand kl)	(151) (-24.1 thousand kl)	(16.1%)
Asia & Oceania	6,554	5,621	(932)	(14.2%)
Eurasia (Europe & NIS)	13,266	15,115	1,849	13.9%
Middle East & Africa	90,412	78,048	(12,364)	(13.7%)
Americas	1,710	930	(780)	(45.6%)
Total	112,882	100,503	(12,379)	(11.0%)

3

Natural Gas Sales (excluding LPG)



	Apr. '17 - Mar. '18	Apr. '18 - Mar. '19	Change	%Change
Net sales (Billions of yen)	202.0	169.2	(32.8)	(16.3%)
Sales volume (million cf)	264,816	232,851	(31,965)	(12.1%)
Average unit price of overseas production (\$/thousand cf)	5.04	3.18	(1.86)	(36.9%)
Average unit price of domestic sales (¥/m ³)	46.36	53.46	7.10	15.3%
Average exchange rate (¥/\$)	110.70	110.21	0.49yen Appreciation	0.4% Appreciation

Sales volume by region (million cf)	Apr. '17 - Mar. '18	Apr. '18 - Mar. '19	Change	%Change
Japan	79,243 (2,123million m ³ *)	80,930 (2,169million m ³ *)	1,687 (+45million m ³ *)	2.1%
Asia & Oceania	137,371	106,703	(30,668)	(22.3%)
Eurasia (Europe & NIS)	7,808	9,996	2,188	28.0%
Middle East & Africa	-	-	-	-
Americas	40,394	35,223	(5,171)	(12.8%)
Total	264,816	232,851	(31,965)	(12.1%)

*1m³=41.8605MJ

(FYI) LPG Sales

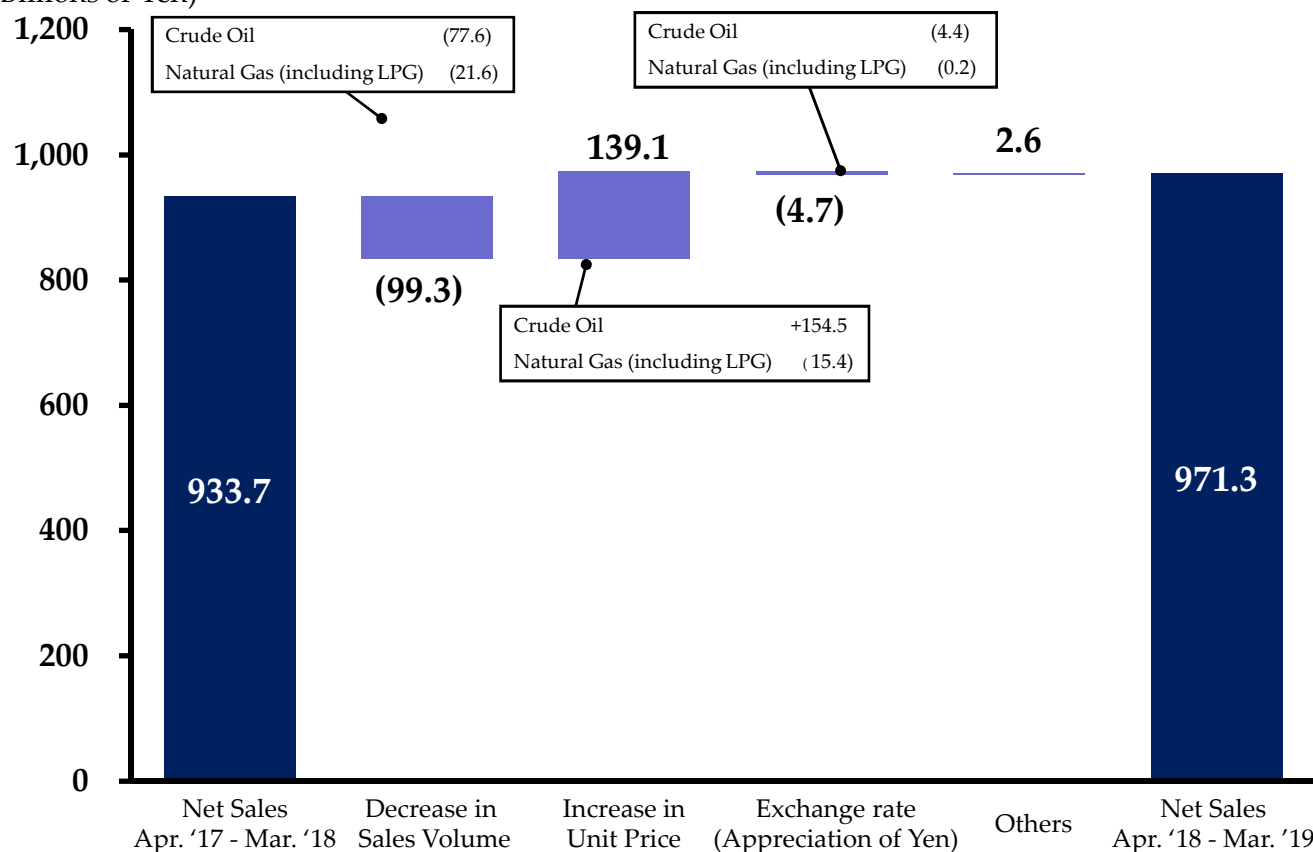
	Apr. '17 - Mar. '18	Apr. '18 - Mar. '19	Change	%Change
Net Sales (Billions of yen)	6.0	1.5	(4.5)	(75.1%)

4

Analysis of Net Sales Increase for the year ended March 31, 2019



(Billions of Yen)



5

Statement of Income

INPEX

(Billions of Yen)	Apr. '17- Mar. '18	Apr. '18 - Mar. '19	Change	%Change	
Net sales	933.7	971.3	37.6	4.0%	Decrease in sales volume : (99.3) Increase in unit price : +139.1 Exchange rate (Appreciation of yen) : (4.7) Others : +2.6
Cost of sales	498.0	413.3	(84.7)	(17.0%)	
Gross profit	435.6	558.0	122.4	28.1%	
Exploration expenses	1.3	11.6	10.3	-	
Selling, general and administrative expenses	76.9	72.1	(4.8)	(6.3%)	Cost of sales for Crude Oil : 299.9 (Change) (58.7) Cost of sales for Natural Gas* : 99.6 (Change) (26.5) * Including LPG
Operating income	357.3	474.2	116.9	32.7%	
Other income	55.2	70.9	15.6	28.3%	Main factors for change : Equity in earnings of affiliates +24.1
Other expenses	25.3	25.9	0.5	2.2%	Main factors for change : Interest expense +10.2 Foreign exchange loss (10.4)
Ordinary income	387.2	519.2	132.0	34.1%	
Extraordinary loss (Impairment loss)	79.9	25.2	(54.7)	(68.4%)	Main factor for change : Shale Gas Project in Canada (66.6)
Total income taxes	309.3	397.2	87.8	28.4%	
Net income (loss) attributable to non-controlling interests	(42.4)	0.6	43.1	-	
Net income attributable to owners of parent	40.3	96.1	55.7	138.1%	

6

Other Income/Expenses

INPEX

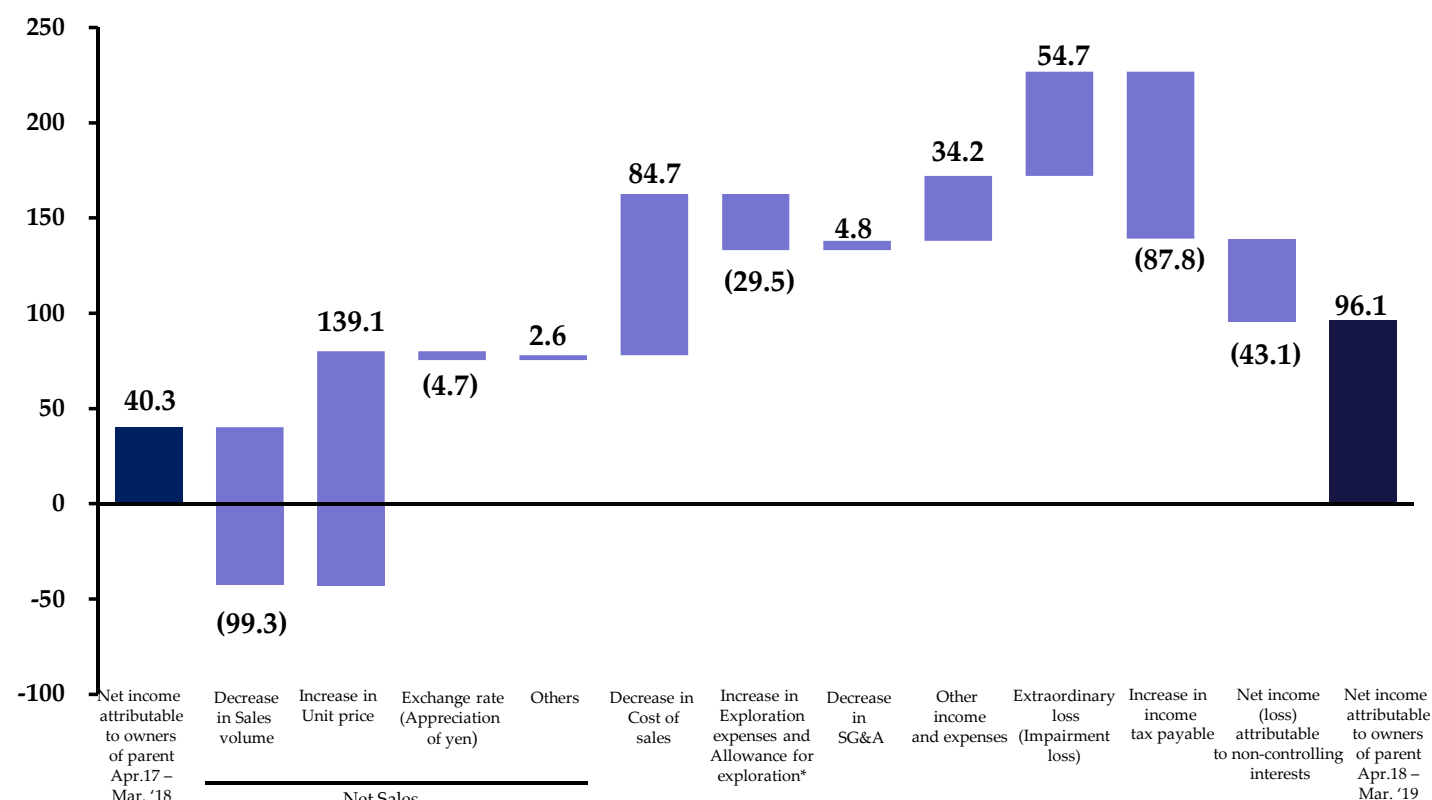
(Billions of Yen)	Apr. '17 - Mar. '18	Apr. '18 - Mar. '19	Change	%Change	
Other income	55.2	70.9	15.6	28.3%	
Interest income	6.4	7.6	1.1	18.0%	
Dividend income	4.7	6.7	1.9	41.5%	
Equity in earnings of affiliates	4.1	28.3	24.1	576.6%	
Reversal of allowance for doubtful accounts	0.1	8.3	8.1	-	
Gain on reversal of allowance for recoverable accounts under production sharing	17.5	-	(17.5)	(100.0%)	Mainly attributed to gain on reversal of allowance for Kashagan
Compensation income	12.6	7.4	(5.1)	(40.6%)	Compensation for termination of Ecuador's Block 18
Foreign exchange gain	-	1.9	1.9	-	
Other	9.4	10.3	0.8	9.4%	
Other expenses	25.3	25.9	0.5	2.2%	
Interest expense	7.0	17.3	10.2	145.0%	
Provision for allowance for recoverable accounts under production sharing	-	1.4	1.4	-	
Provision for exploration projects	-	0.2	0.2	-	
Foreign exchange loss	10.4	-	(10.4)	-	
Other	7.8	6.9	(0.8)	(11.4%)	

7

Analysis of Net Income Increase

INPEX

(Billions of Yen)



8

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

Balance Sheet

INPEX

(Billions of yen)	Mar. '18	Mar. '19	Change	%Change
Current assets	466.3	457.7	(8.6)	(1.9%)
Tangible fixed assets	2,044.6	2,278.9	234.3	11.5%
Intangible assets	541.5	520.2	(21.2)	(3.9%)
Recoverable accounts under production sharing	589.0	568.0	(21.0)	(3.6%)
Other	692.4	1,038.5	346.1	50.0%
Less allowance for recoverable accounts under production sharing	(81.6)	(70.0)	11.6	(14.2%)
Total assets	4,252.3	4,793.5	541.1	12.7%
Current liabilities	305.4	372.0	66.5	21.8%
Long-term liabilities	788.0	1,163.9	375.8	47.7%
Total net assets	3,158.8	3,257.5	98.7	3.1%
(Non-controlling interests)	242.1	251.1	8.9	3.7%
Total liabilities and net assets	4,252.3	4,793.5	541.1	12.7%
Net assets per share (Yen)	1,997.24	2,058.95	61.71	3.1%

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

- Current assets : 140.1
 - Fixed assets : 3,789.6
 - Total assets : 3,929.8
- *Fixed assets include interest expense which are not included in CAPEX, and capitalized costs before FID.

- Total shareholders' equity : +69.6
Accumulated other comprehensive income (Billions of yen) : +20.1
- Unrealized holding gain (loss) on securities : (7.3)
 - Unrealized gain (loss) from hedging instruments : (19.3)
 - Translation adjustments : +46.9

9

Statement of Cash Flows



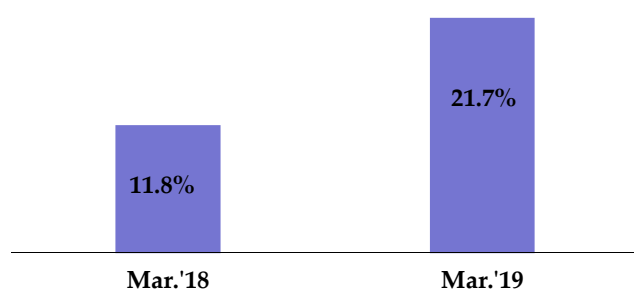
(Billions of Yen)	Apr. '17 - Mar. '18	Apr. '18 - Mar. '19	Change	%Change
Income before income taxes	307.2	494.0	186.7	60.8%
Depreciation and amortization	92.8	106.8	14.0	15.2%
Impairment loss	79.9	25.2	(54.7)	(68.4%)
Recovery of recoverable accounts under production sharing (capital expenditures)	53.4	33.1	(20.3)	(38.0%)
Recoverable accounts under production sharing (operating expenditures)	9.6	4.6	(4.9)	(51.8%)
Income taxes paid	(329.2)	(388.0)	(58.8)	17.9%
Other	64.6	(37.2)	(101.9)	-
Net cash provided by (used in) operating activities	278.5	238.5	(39.9)	(14.4%)
Payments for time deposits / Proceeds from time deposits	333.9	0.0	(333.9)	(100.0%)
Payments for purchases of tangible fixed assets	(271.3)	(210.7)	60.5	(22.3%)
Payments for purchases of investment securities	(127.7)	(104.7)	23.0	(18.0%)
Investment in recoverable accounts under production sharing (capital expenditures)	(24.1)	(31.6)	(7.4)	31.1%
Long-term loans made / Collection of long-term loans receivable	(172.2)	(262.4)	(90.1)	52.3%
Payments for purchases of mining rights	(100.9)	(107.8)	(6.9)	6.9%
Other	10.5	35.3	24.7	234.1%
Net cash provided by (used in) investing activities	(351.9)	(682.0)	(330.0)	93.8%
Net cash provided by (used in) financing activities	34.7	405.1	370.4	-
Cash and cash equivalents at end of the period	276.0	239.6	(36.4)	(13.2%)

10

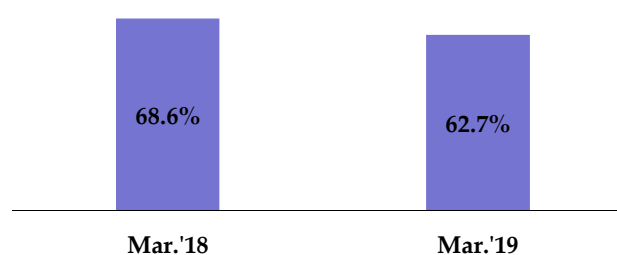
Financial Indices



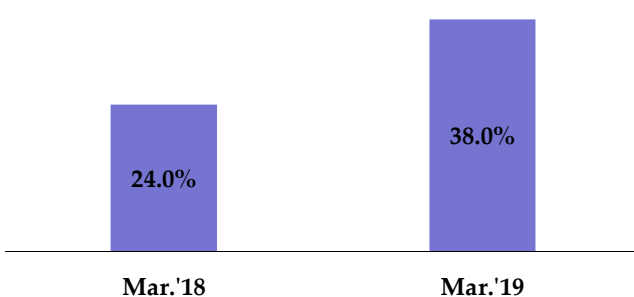
Net Debt/Total Capital Employed (Net)*



Equity Ratio**



D/E Ratio***



* Net Debt/Total Capital Employed (Net) = (Interest-bearing debt - Cash and deposits)/(Net assets + Interest-bearing debt - Cash and deposits)
 ** Equity Ratio = (Net assets - Non-controlling interests)/Total assets
 *** D/E Ratio = Interest-bearing debt/ (Net asset - Non-controlling interests)

11

Consolidated Financial Forecasts for the year ending December 31, 2019 (nine-month accounting period) **INPEX**

	1st Half (Apr. – Sep. '19)	2nd Half (Oct. – Dec. '19)	Full year
Brent oil price (\$/bbl)	65.0	65.0	65.0
Average exchange rate (¥/\$)	110.0	110.0	110.0

Full Year	Mar. '19 (Actual)		Mar. '19 (Adjusted actual*)	Dec. '19 (Forecasts)	Change	% Change
Net Sales (Billions of yen)	971.3		800.1	958.0	157.9	19.7%
Operating Income (Billions of yen)	474.2	➔	413.6	442.0	28.4	6.9%
Ordinary Income (Billions of yen)	519.2		445.6	430.0	(15.6)	(3.5%)
Net income attributable to owners of parent (Billions of yen)	96.1		52.3	90.0	37.7	72.1%

1st Half

Net Sales (Billions of yen)	438.2		438.2	549.0	110.8	25.3%
Operating Income (Billions of yen)	226.4	➔	226.4	244.0	17.6	7.8%
Ordinary Income (Billions of yen)	246.9		246.9	228.0	(18.9)	(7.7%)
Net income attributable to owners of parent (Billions of yen)	34.0		34.0	44.0	10.0	29.3%

Cash dividends per share (yen)	2Q End	9.0		12.0		
	FY End	15.0		12.0		
	TOTAL	24.0		24.0		

* As FY2019 (nine-month period ending December 2019) is an irregular fiscal year, FY2018 (ended March 2019) has been adjusted based on the nine-month accounting period accordingly (some subsidiaries follow a twelve-month accounting period). See slide 15 for details.

12

FY 2019 dividend reference dates are September 30, 2019 for the mid-term dividend and December 31, 2019 for the year-end dividend.

Sales and Investment Plan for the year ending December 31, 2019 (nine-month accounting period) **INPEX**

	Mar. '19 (Actual)		Mar. '19 (Adjusted actual*)	Dec. '19 (Forecasts)	Change	% Change	
Sales Volume	Crude oil (thousand bbl) ¹	100,503	85,138	102,695	17,557	20.6%	
	Natural gas (million cf) ²	232,851	157,925	366,752	208,827	132.2%	
	Overseas	151,921	➔	100,828	307,425	206,597	204.9%
	Japan	80,930 (2,168 million m ³)		57,097 (1,529 million m ³)	59,327 (1,589 million m ³)	2,230 (59 million m ³)	3.9%
	LPG (thousand bbl) ³	204		203	435	232	114.3%

(Billions of yen)	Mar. '19 (Actual)		Mar. '19 (Adjusted actual*)	Dec. '19 (Forecasts)	Change	% Change
Development expenditure and others ⁴	471.0		370.6	263.0	(107.6)	(29.0%)
Exploration expenditure	13.7	➔	6.4	18.0	11.6	181.3%
Other expenditure	3.7		2.6	4.0	1.4	53.8%
Exploration expenses and Provision for explorations ⁵	Exploration expenses 11.6 Provision for explorations 1.6 13.3		Exploration expenses 3.5 Provision for explorations 2.8 6.3	Exploration expenses 13.7 Provision for explorations 5.6 19.3	13.0	206.3%
(Non-controlling Interests Portion) ⁶	1.8		1.5	5.3	3.8	253.3%

Note 1 CF for domestic crude oil sales and petroleum products : 1kl=6.29bbl

2 CF for domestic natural gas sales : 1m³=37.32cf

3 CF for domestic LPG sales : 1t=10.5bbl

4 Includes Ichthys downstream and asset acquisition expenditures

5 "Provision for allowance for recoverable accounts under production sharing" + "Provision for exploration projects", relating to exploration activities

6 Capital increase from Non-controlling interests, etc.

13

* As FY2019 (nine-month period ending December 2019) is an irregular fiscal year, FY2018 (ended March 2019) has been adjusted based on the nine-month accounting period accordingly (some subsidiaries follow a twelve-month accounting period). See slide 15 for details.

Net Income Sensitivities



- Sensitivities of crude oil price and foreign exchange fluctuation on consolidated net income attributable to owners of parent for the year ending December 31, 2019 (nine-month accounting period) (Note 1) (Billions of yen)

<ul style="list-style-type: none"> ■ Brent Crude Oil Price; \$1/bbl increase (decrease) (Note 2) 	<p style="text-align: center;"><u>At the Beginning of the 1Q : +3.8 (-3.8)</u></p> <p>The impact on net income will change in FY2019 as below;</p> <p style="text-align: center;">At the beginning of the 2Q : +1.9 (-1.9) At the beginning of the 3Q : +0.7 (-0.7)</p>
<ul style="list-style-type: none"> ■ Exchange Rate; ¥1 depreciation (appreciation) against the U.S. dollar (Note 3) 	<p style="text-align: center;">+1.8 (-1.8)</p>

(Note1) The sensitivities represent the impact on net income for the year ending December 31, 2019 (nine-month accounting period) 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 mainly of existing production projects at the beginning of the fiscal year. These are for reference purposes only and 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.

(Note2) This is a sensitivity on net income determined by fluctuations in the oil price and is subject to the average price of crude oil (Brent). As part of the sales price has been finalized at the beginning of each quarter, the sensitivity breakdown for each quarter is estimated taking into account the percentage of the finalized sales price as follows;

- ✓ At the beginning of the 1Q : +3.8 billions of yen (1Q : +0.7 billions of yen, 2Q : +1.2 billions of yen, 3Q : +1.9 billions of yen)
- ✓ At the beginning of the 2Q : +1.9 billions of yen (1Q : -----, 2Q : +0.7 billions of yen, 3Q : +1.2 billions of yen)
- ✓ At the beginning of the 3Q : +0.7 billions of yen (1Q : -----, 2Q : -----, 3Q : +0.7 billions of yen)

(Note3) 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, a sensitivity related to valuation for 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 almost neutralized.

14

Supplementary material concerning change in accounting period (Closing date of accounting period)



- INPEX's accounting period is scheduled to change to the January to December period from the April to March period^(Note 1)
- The fiscal year ending December 31, 2019 (FY2019) is scheduled to be a transitional, nine-month accounting period from April 1, 2019 to December 31, 2019.
- "FY2018 adjusted actual figures" are reference data based on adjusted figures for the nine-month period (April 1 - December 31, 2018) for the Company and subsidiaries with provisional settlements of accounts, and the twelve-month period (January 1 - December 31, 2018) for subsidiaries with a December 31 fiscal year-end. Periods covered in the financial reporting figures (figures stated in the earnings reports, etc.) and adjusted actual figures^(Note 2) are as follows.

< Financial reporting figures (figures stated in the earnings reports, etc.) >

	2018				2019			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
INPEX and subsidiaries with provisional settlements of accounts ^(Note 3)		FY2019/03 (FY2018)				FY2019/12 (FY2019)		
Subsidiaries with a December 31 fiscal year-end ^(Note 4)								

< Adjusted actual figures^(Note 2) >

	2018				2019			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
INPEX and subsidiaries with provisional settlements of accounts ^(Note 3)		FY2018 Adjusted actual				FY2019/12 (FY2019)		
Subsidiaries with a December 31 fiscal year-end ^(Note 4)								

Note 1 The change is subject to shareholder approval of a partial amendment to the Articles of Incorporation at the 13th Annual General Meeting of Shareholders scheduled to be held in late June 2019.

Note 2 Adjusted actual figures are unaudited figures for reference purposes only

Note 3 INPEX, major domestic subsidiaries and overseas subsidiaries with provisional settlements of accounts. Subsidiaries with a December 31 fiscal year-end that provisionally settled their accounts on March 31 due to the relatively large impact of their performance on the Company's consolidated financial accounts.

Note 4 Subsidiaries adopting an accounting period from January to December. The accounting periods of subsidiaries with a December 31 fiscal year-end will remain unchanged (January 1 - December 31, 2019 will be settled to FY2019/12 period) while FY2019 is scheduled to be a nine-month accounting period.