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Financial Results  
for the nine months ended December 31, 2010

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INPEX CORPORATION

February 4, 2011

# Cautionary Statement



This presentation includes forward-looking information that reflects the plan 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 risk, 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 the 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



## 51 consolidated subsidiaries

Major subsidiaries	Country/region	Ownership	Stage	Accounting term
Japan Oil Development	UAE	100%	Production	March (provisional settlement of account)
INPEX Natuna	Indonesia	100%	Production	March
INPEX Sahul	Timor Sea Joint Petroleum Development Area	100%	Production	December
INPEX Browse	Australia	100%	Preparation for development	March (provisional settlement of account)
INPEX Southwest Caspian Sea	Azerbaijan	51%	Production	March (provisional settlement of account)
INPEX North Caspian Sea	Kazakhstan	45%	Development	March (provisional settlement of account)

## 13 equity method affiliates

Major affiliates	Country/region	Ownership	Stage	Accounting term
MI Berau B.V.	Indonesia	44%	Production	December
Angola Japan Oil	Angola	19.6%	Production	December
INPEX Offshore North Campos	Brazil	37.5%	Production	December

# Highlights of the Consolidated Financial Results for the nine months ended December 31, 2010



	Apr.-Dec. '09	Apr.-Dec. '10	Change	%Change
Net Sales (Billions of yen)	615.9	681.8	65.9	10.7%
Crude Oil Sales	359.7	400.9	41.2	11.5%
Natural Gas Sales (including LPG)	236.7	260.7	24.0	10.2%
Others	19.5	20.1	0.6	3.2%
Operating Income (Billions of yen)	335.7	378.7	43.0	12.8%
Ordinary Income (Billions of yen)	320.7	365.4	44.7	13.9%
Net Income (Billions of yen)	80.6	90.1	9.4	11.7%
Net income per share (Yen)	34,285.38	30,014.30	(4,271.08)	(12.5%)

Average number of shares issued and outstanding during the nine months ended December 31, 2010 (consolidated): 3,002,194

# Crude Oil Sales



	Apr.-Dec. '09	Apr.-Dec. '10	Change	%Change
Net Sales (Billions of yen)	359.7	400.9	41.2	11.5%
Sales volume (Mbbl)	57,738	58,085	348	0.6%
Average unit price of overseas production (\$/bbl)	66.08	78.78	12.70	19.2%
Average unit price of domestic production (¥/kl)	39,670	47,017	7,347	18.5%
Average exchange rate (¥/\$)	93.36	86.86	6.50 yen appreciation	7.0% yen appreciation
Sales volume by region (Mbbl)	Apr.-Dec. '09	Apr.-Dec. '10	Change	%Change
Japan	159 (25 thousand kl)	74 (12 thousand kl)	(84) (-13 thousand kl)	(53.1%)
Asia/Oceania	12,223	14,804	2,581	21.1%
Eurasia (Europe/NIS )	8,165	6,627	(1,538)	(18.8%)
Middle East/Africa	35,779	35,559	(221)	(0.6%)
Americas	1,412	1,022	(391)	(27.7%)
Total	57,738	58,085	348	0.6%

# Natural Gas Sales (excluding LPG)



	Apr.-Dec. '09	Apr.-Dec. '10	Change	%Change
Net Sales (Billions of yen)	222.9	241.6	18.7	8.4%
Sales volume (MMcf)	310,071	297,809	(12,262)	(4.0%)
Average unit price of overseas production (\$/Mcf)	7.25	8.65	1.40	19.3%
Average unit price of domestic sales (¥/ m <sup>3</sup> )	36.69	43.15	6.46	17.6%
Average exchange rate (¥/\$)	93.33	86.99	6.34 yen appreciation	6.8% yen appreciation
Sales volume by region (MMcf)	Apr.-Dec. '09	Apr.-Dec. '10	Change	%Change
Japan	42,875 (1,149 million m <sup>3</sup> )	43,172 (1,157 million m <sup>3</sup> )	297 (8 million m <sup>3</sup> )	0.7%
	Purchased Volume :46 million m <sup>3</sup>	Purchased Volume :349 million m <sup>3</sup>	303 million m <sup>3</sup>	660.5%
Asia/Oceania	244,227	231,571	(12,655)	(5.2%)
Eurasia (Europe/NIS )	-	-	-	-
Middle East/Africa	-	-	-	-
Americas	22,969	23,066	97	0.4%
Total	310,071	297,809	(12,262)	(4.0%)

# LPG Sales

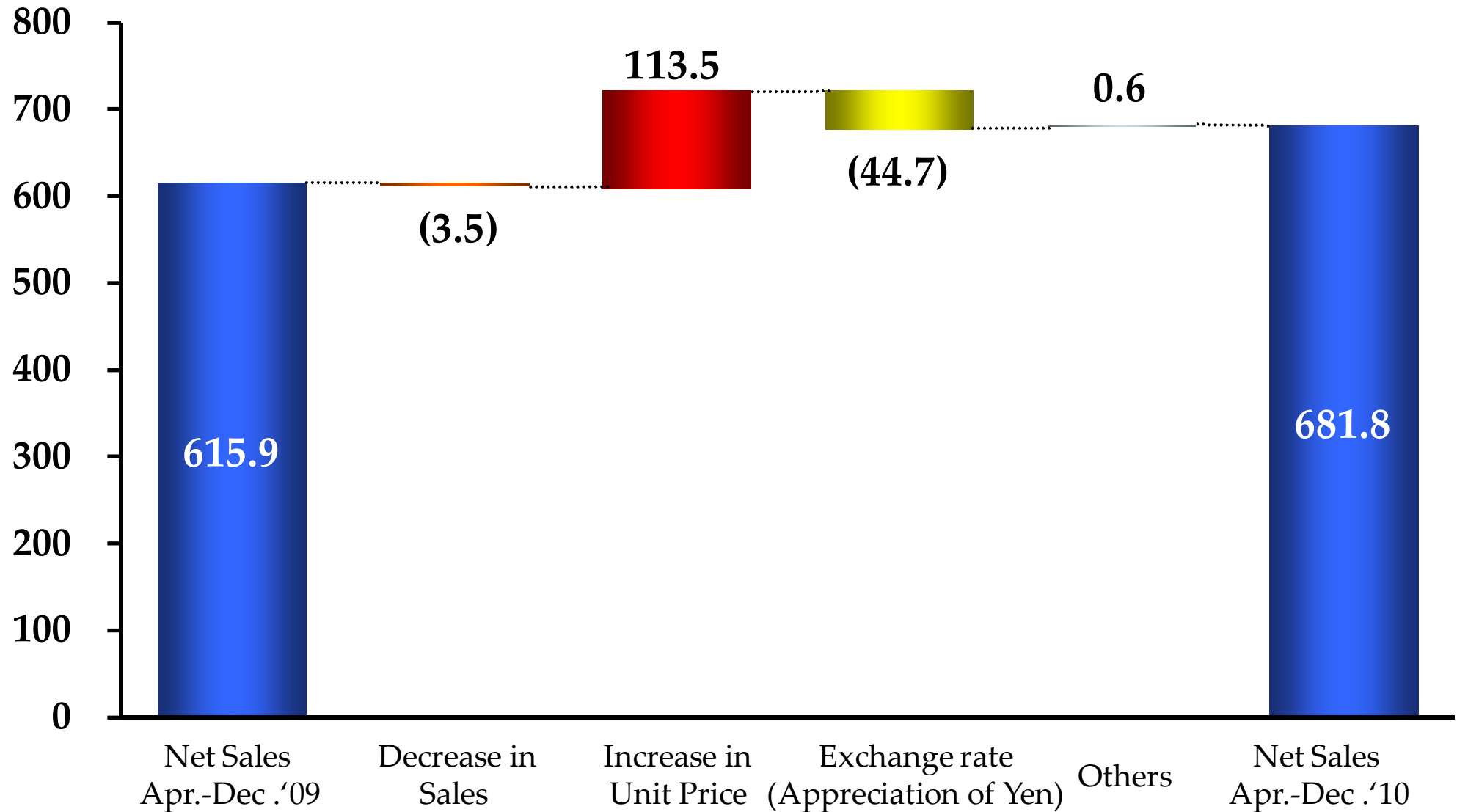


	Apr.-Dec. '09	Apr.-Dec. '10	Change	%Change
Net Sales (Billions of yen)	13.8	19.1	5.3	38.7%
Sales volume (Mbbbl)	2,655	3,159	504	19.0%
Average unit price of overseas production (\$/bbl)	52.51	65.20	12.69	24.2%
Average unit price of domestic production (¥/ kg)	112	115	3	3.2%
Average exchange rate (¥/\$)	92.80	88.75	4.05 yen appreciation	4.4% yen appreciation
Sales volume by region (Mbbbl)	Apr.-Dec. '09	Apr.-Dec. '10	Change	%Change
Japan	155 (15 thousand t)	174 (17 thousand t)	19 (2 thousand t)	12.4%
Asia/Oceania	2,500	2,984	484	19.4%
Eurasia (Europe/NIS )	-	-	-	-
Middle East/Africa	-	-	-	-
Americas	-	-	-	-
Total	2,655	3,159	504	19.0%

# Analysis of Net Sales Increase



(Billions of Yen)





# Statements of Income



(Billions of Yen)	Apr.-Dec. '09	Apr.-Dec. '10	Change	%Change
Net Sales	615.9	681.8	65.9	10.7%
Cost of Sales	218.7	244.8	26.1	11.9%
Exploration expenses	11.3	9.7	(1.6)	(14.3%)
Selling, general and administrative expenses	50.1	48.5	(1.6)	(3.2%)
Operating Income	335.7	378.7	43.0	12.8%
Other income	10.5	17.6	7.0	66.3%
Other expenses	25.5	30.9	5.3	20.9%
Ordinary Income	320.7	365.4	44.7	13.9%
Income taxes-current	233.9	257.7	23.8	10.2%
Income taxes-deferred	(1.4)	10.3	11.8	(838.4%)
Minority interests	7.5	7.2	(0.3)	(4.4%)
Net Income	80.6	90.1	9.4	11.7%

Crude oil sales :	400.9
(Change)	+41.2
Natural Gas sales* :	260.7
(Change)	+24.0

Cost of sales for Crude Oil :	144.9
(Change)	+12.2
Cost of sales for Natural Gas* :	84.8
(Change)	+12.2

\* Including LPG

# Other Income/Expenses

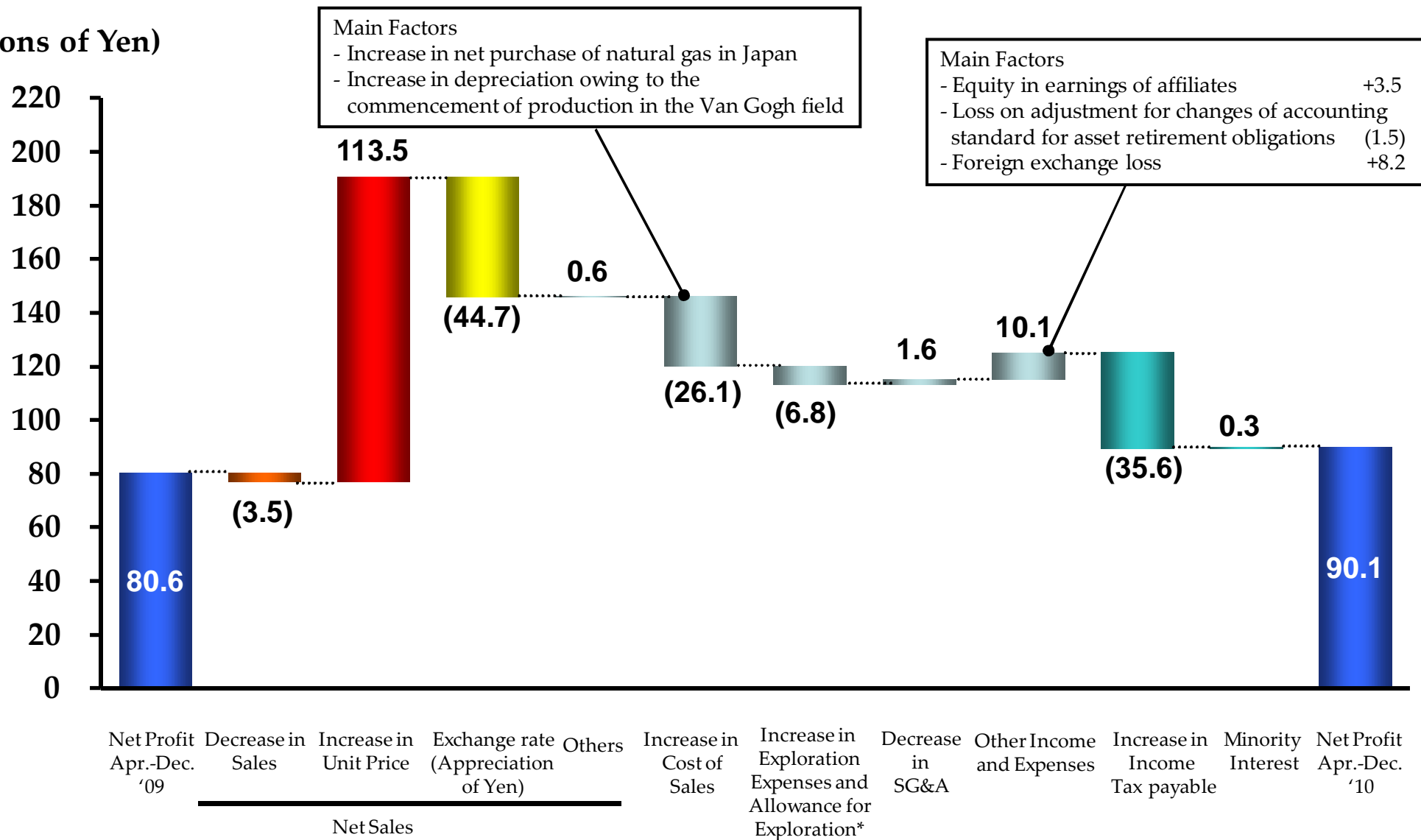


(Billions of Yen)	Apr.-Dec. '09	Apr.-Dec. '10	Change	%Change
Other income	10.5	17.6	7.0	66.3%
Interest income	3.3	2.9	(0.3)	(9.6%)
Dividend income	3.2	3.1	(0.0)	(2.8%)
Equity in earnings of affiliates	-	3.5	3.5	-
Other	4.0	7.9	3.8	95.0%
Other expenses	25.5	30.9	5.3	20.9%
Interest expense	0.8	0.8	(0.0)	(5.6%)
Equity in losses of affiliates	0.9	-	(0.9)	(100.0%)
Provision for allowance for recoverable accounts under production sharing	3.1	12.6	9.4	299.5%
Provision for exploration projects	4.4	3.4	(1.0)	(22.8%)
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	1.5	1.5	-
Foreign exchange loss	10.1	1.9	(8.2)	(81.0%)
Other	6.0	10.5	4.4	74.1%

# Analysis of Net Profit Increase



(Billions of Yen)



\*Provision for allowance for recoverable accounts under production sharing and Provision for exploration projects

# Revisions of Financial Forecasts for the year ending March 31, 2011



## - Assumptions

(Nov. 4, 2010)	1 <sup>st</sup> half	2 <sup>nd</sup> half	Full year
Crude oil price (Brent) (US\$/bbl)	78.2	77.5	77.9
Exchange rate (yen/US\$)	89.0	80.0	84.5



(Feb. 4, 2011)	1 <sup>st</sup> half	2 <sup>nd</sup> half	Full year
Crude oil price (Brent) (US\$/bbl)	78.2	86.2※1	82.2
Exchange rate (yen/US\$)	89.0	81.3※2	85.1

\*1 3<sup>rd</sup> quarter (Actual) : US\$ 87.3/bbl, 4<sup>th</sup> quarter (Forecast) : US\$ 85.0/bbl

\*2 3<sup>rd</sup> quarter (Actual) : ¥82.6/US\$1, 4<sup>th</sup> quarter (Forecast) : ¥80.0/US\$1

## - Financial Forecasts for the year ending March 31, 2011

	Previous forecasts (Nov. 4, 2010)	Revised forecasts (Feb. 4, 2011)	Change	%Change
Net Sales (billions of yen)	835.0	888.0	53.0	6.3%
Operating income (billions of yen)	438.0	488.0	50.0	11.4%
Ordinary income (billions of yen)	420.0	479.0	59.0	14.0%
Net income (billions of yen)	102.0	120.0	18.0	17.6%

## - Dividend per share

	End of 2Q	End of fiscal year (forecast)	Total (forecast)
Year ending March 31, 2011 (yen)	3,000	3,000	6,000

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# Appendix

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# Balance Sheet



(Billions of yen)	Mar. '10	Dec. '10	Change	%Change	
Current assets	492.8	503.7	10.9	2.2%	
Tangible fixed assets	358.0	366.9	8.8	2.5%	
Intangible assets	239.2	252.0	12.8	5.4%	
Recoverable accounts under production sharing	514.6	550.7	36.0	7.0%	
Other	503.8	1,028.6	524.7	104.1%	
Less allowance for recoverable accounts under production sharing	(94.8)	(114.2)	(19.3)	20.4%	Due mainly to purchase of bonds
<b>Total assets</b>	<b>2,013.7</b>	<b>2,587.8</b>	<b>574.1</b>	<b>28.5%</b>	
Current liabilities	227.9	223.2	(4.6)	(2.0%)	
Long-term liabilities	295.2	313.6	18.4	6.2%	Due to an increase in capital and capital surplus made by public offering
<b>Total net assets</b>	<b>1,490.6</b>	<b>2,050.9</b>	<b>560.3</b>	<b>37.6%</b>	
(Minority interests)	103.1	95.3	(7.8)	(7.6%)	
<b>Total liabilities and net assets</b>	<b>2,013.7</b>	<b>2,587.8</b>	<b>574.1</b>	<b>28.5%</b>	
Net assets per share (Yen)	589,549	535,663	(53,885)	(9.1%)	

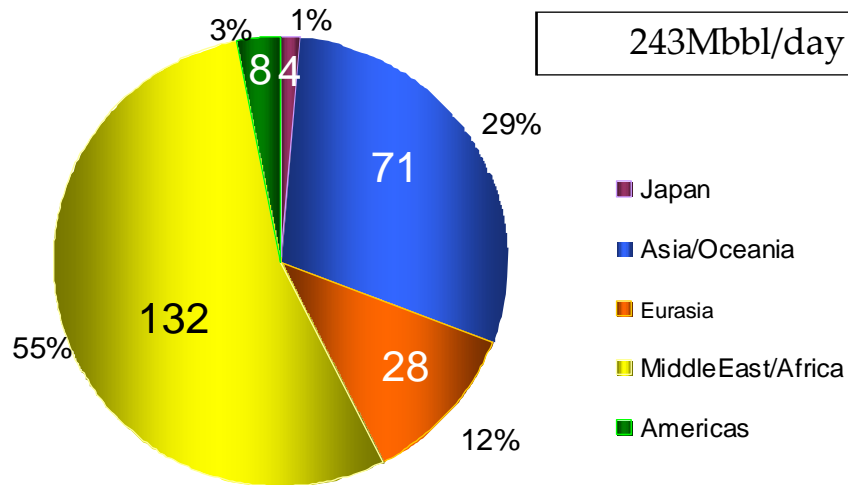
# Statements of Cash Flows



(Billions of Yen)	Apr.-Dec. '09	Apr.-Dec. '10	Change	%Change
Income before income taxes and minority interests	320.7	365.4	44.7	13.9%
Depreciation and amortization	29.9	42.3	12.4	41.5%
Recovery of recoverable accounts under production sharing (capital expenditures)	35.5	34.6	(0.9)	(2.7%)
Recoverable accounts under production sharing (operating expenditures)	(8.8)	(12.1)	(3.3)	37.3%
Income taxes paid	(215.7)	(256.1)	(40.3)	18.7%
Other	16.4	14.2	(2.2)	(13.5%)
<b>Net cash provided by operating activities</b>	<b>178.1</b>	<b>188.4</b>	<b>10.2</b>	<b>5.8%</b>
Purchase of tangible fixed assets	(68.5)	(63.4)	5.0	(7.4%)
Purchases of marketable securities/investment securities and proceeds from sales of marketable securities/investment securities (Net)	(9.4)	(523.9)	(514.4)	-
Payments for purchase of mining rights	-	(27.8)	(27.8)	-
Investment in recoverable accounts under production sharing (capital expenditures)	(75.6)	(60.3)	15.2	(20.2%)
Other	(17.7)	(51.3)	(33.6)	189.6%
<b>Net cash used in investing activities</b>	<b>(171.3)</b>	<b>(726.9)</b>	<b>(555.5)</b>	<b>324.1%</b>
<b>Net cash provided by financing activities</b>	<b>38.5</b>	<b>536.6</b>	<b>498.1</b>	<b>-</b>
Cash and cash equivalents at end of the period	202.4	200.7	(1.7)	(0.8%)

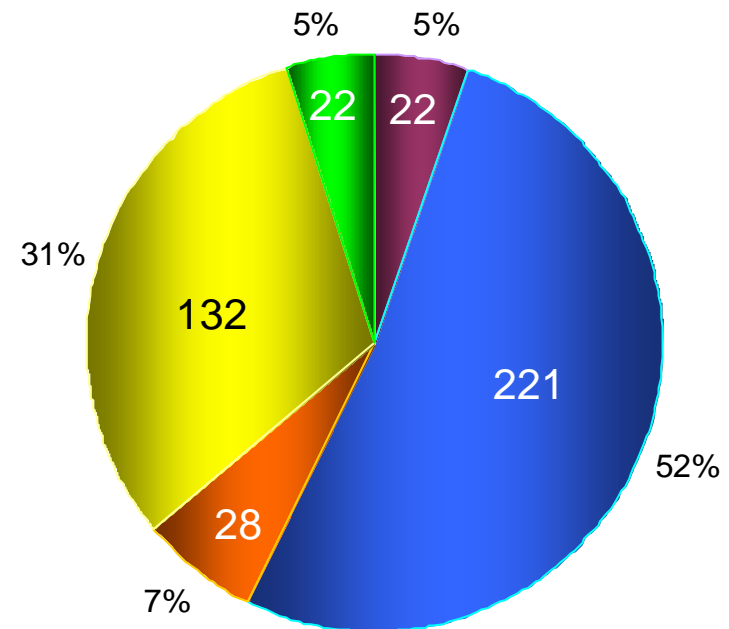
# Net Production\* (Apr. 2010 – Dec. 2010) **INPEX**

## Oil/Condensate/LPG

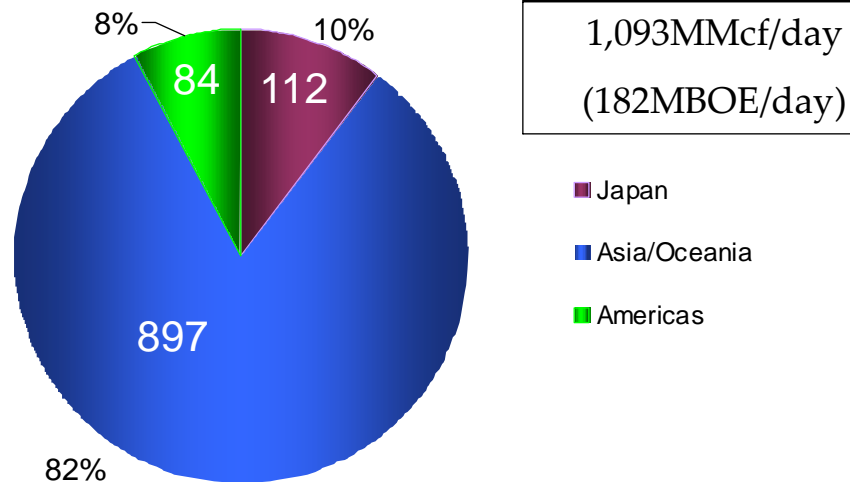


## Total

425MBOE/day



## Natural Gas

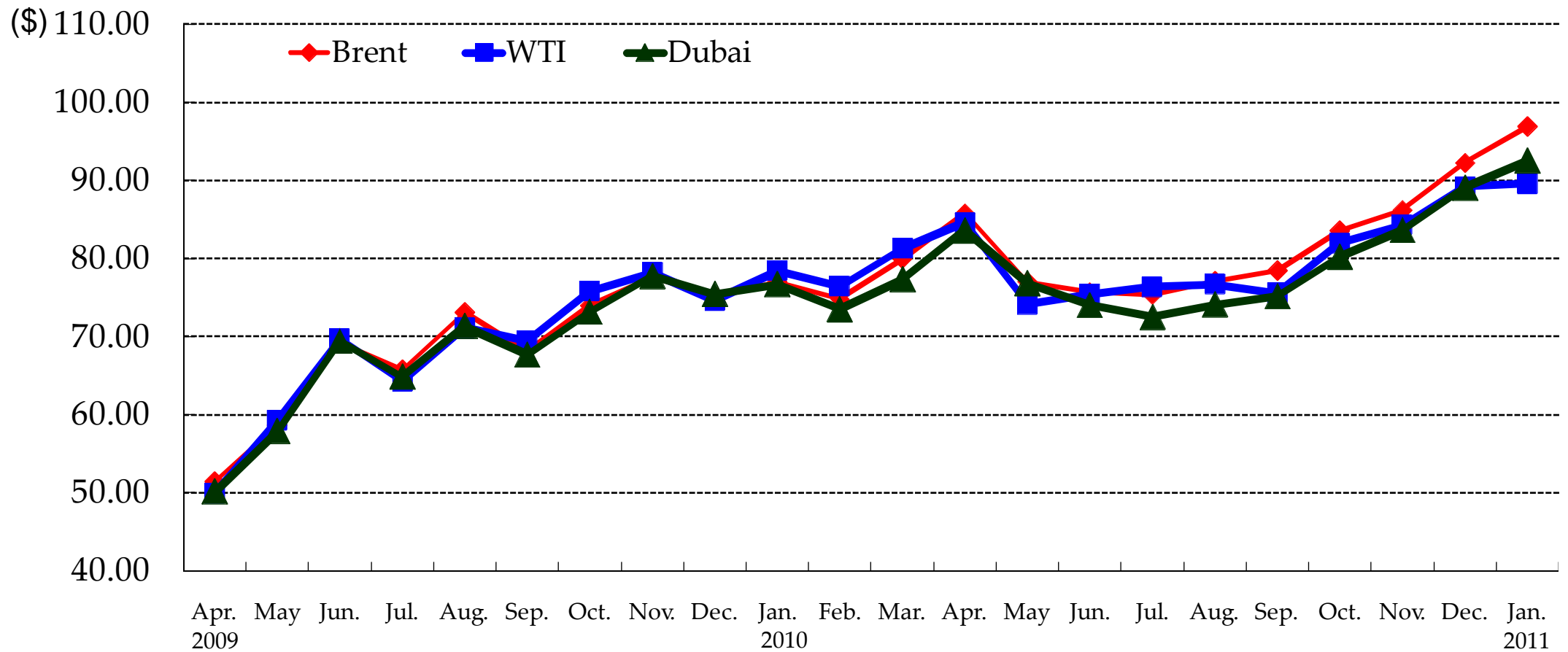


■ Japan      ■ Asia/Oceania      ■ Eurasia  
■ Middle East/Africa      ■ Americas

\* 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 our group.



# Crude Oil Prices



	Apr.-Dec. '09	Apr.'09-Mar.'10	2010									Apr.-Dec. '10	2011
	Average	Average	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Average	Jan.
Brent	68.10	70.39	85.75	77.00	75.66	75.36	77.12	78.42	83.54	86.16	92.25	81.25	96.91
WTI	68.04	70.71	84.58	74.12	75.40	76.38	76.67	75.55	81.97	84.31	89.23	79.80	89.58
Dubai	67.49	69.58	83.59	76.78	73.99	72.49	74.09	75.12	80.22	83.65	89.05	78.77	92.52