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Financial Results for the year ended March 31, 2017  
Support Material

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INPEX CORPORATION

May 12, 2017

# 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, 2017



	Apr. '15 - Mar. '16	Apr. '16 - Mar. '17	Change	%Change
Net sales (Billions of yen)	1,009.5	874.4	(135.1)	(13.4%)
Crude oil sales	679.2	617.1	(62.0)	(9.1%)
Natural gas sales (including LPG)	316.7	242.5	(74.1)	(23.4%)
Others	13.5	14.6	1.0	8.1%
Operating income (Billions of yen)	390.1	336.4	(53.6)	(13.8%)
Ordinary income (Billions of yen)	374.7	333.8	(40.8)	(10.9%)
Net income attributable to owners of parent (Billions of yen)	16.7	46.1	29.3	175.2%
Net income per share (Yen)	11.49	31.61	20.12	175.2%

Average number of INPEX shares issued and outstanding during the year ended March 31, 2017: 1,460,357,146

Average crude oil price (Brent) (\$/bbl)	48.73	49.88	1.15	2.4%
Average exchange rate (¥/\$)	120.15	108.38	11.77 yen appreciation	9.8% yen appreciation

# Crude Oil Sales



	Apr. '15 - Mar. '16	Apr. '16 - Mar. '17	Change	%Change
Net sales (Billions of yen)	679.2	617.1	(62.0)	(9.1%)
Sales volume (thousand bbl)	117,227	122,207	4,980	4.2%
Average unit price of overseas production (\$/bbl)	47.95	46.41	(1.54)	(3.2%)
Average unit price of domestic production (¥/kl)	38,259	35,997	(2,262)	(5.9%)
Average exchange rate (¥/\$)	120.74	108.67	12.07 yen appreciation	10.0% yen appreciation
Sales volume by region (thousand bbl)	Apr. '15 - Mar. '16	Apr. '16 - Mar. '17	Change	%Change
Japan	741 (117.8 thousand kl)	900 (143.0 thousand kl)	159 (+25.3 thousand kl)	21.4%
Asia & Oceania	13,505	12,246	(1,259)	(9.3%)
Eurasia (Europe & NIS)	11,666	11,336	(331)	(2.8%)
Middle East & Africa	89,486	95,495	6,009	6.7%
Americas	1,829	2,230	401	21.9%
Total	117,227	122,207	4,980	4.2%

# Natural Gas Sales (excluding LPG)



	Apr. '15 - Mar. '16	Apr. '16 - Mar. '17	Change	%Change
Net sales (Billions of yen)	306.2	235.7	(70.4)	(23.0%)
Sales volume (million cf)	337,216	342,994	5,778	1.7%
Average unit price of overseas production (\$/thousand cf)	6.58	5.19	(1.39)	(21.1%)
Average unit price of domestic sales (¥/m <sup>3</sup> )	52.29	43.36	(8.93)	(17.1%)
Average exchange rate (¥/\$)	119.95	108.38	11.57 yen appreciation	9.6% yen appreciation
Sales volume by region (million cf)	Apr. '15 - Mar. '16	Apr. '16 - Mar. '17	Change	%Change
Japan	65,304 (1,750 million m <sup>3*</sup> )	71,295 (1,910 million m <sup>3*</sup> )	5,991 (+161 million m <sup>3*</sup> )	9.2%
Asia & Oceania	238,759	230,183	(8,576)	(3.6%)
Eurasia (Europe & NIS)	-	1,947	1,947	-
Middle East & Africa	-	-	-	-
Americas	33,153	39,569	6,416	19.4%
Total	337,216	342,994	5,778	1.7%

(FYI) LPG Sales

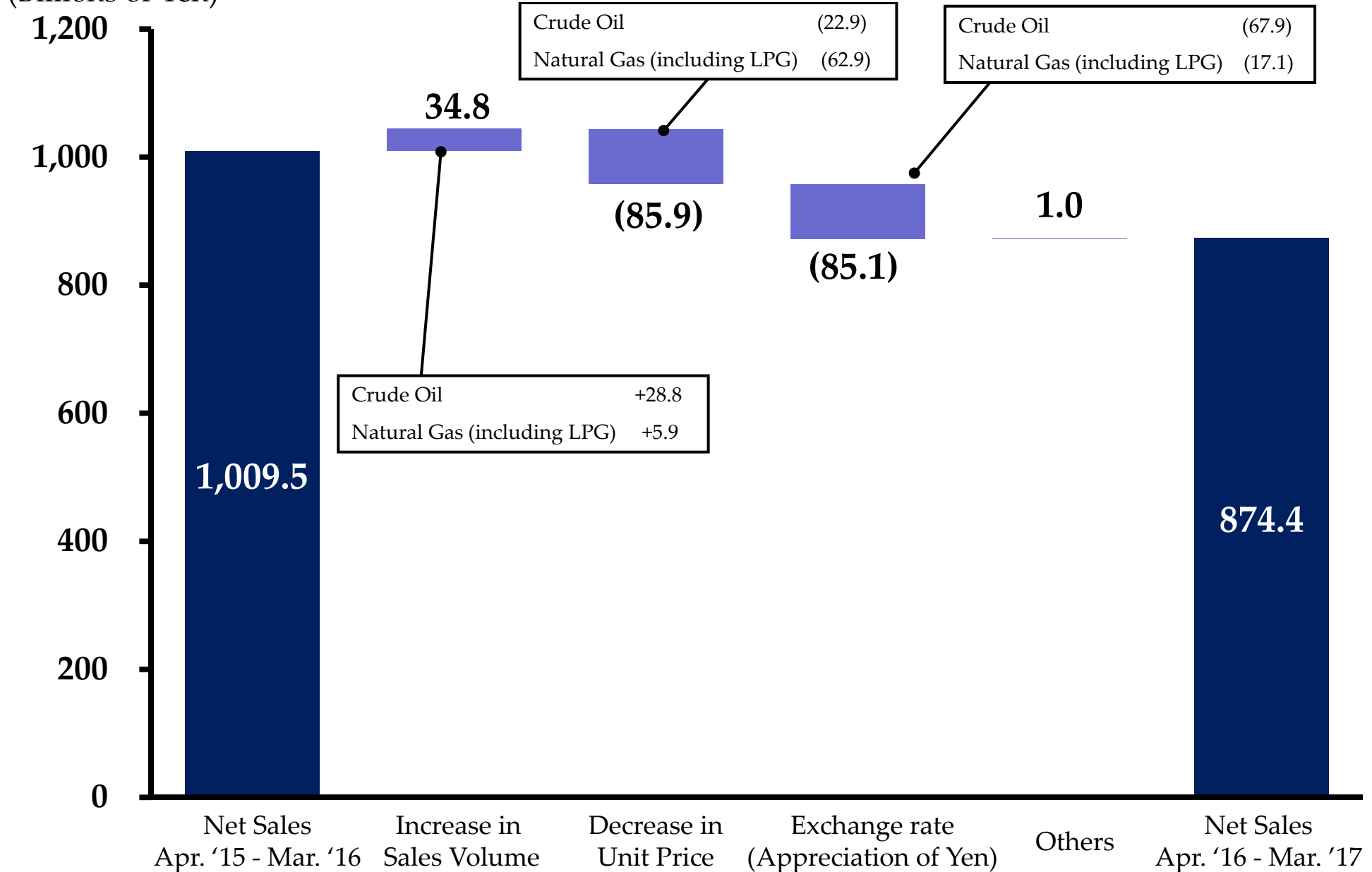
	Apr. '15 - Mar. '16	Apr. '16 - Mar. '17	Change	%Change
Net Sales (Billions of yen)	10.5	6.7	(3.7)	(35.8%)

\*1m<sup>3</sup>=41.8605MJ

# Analysis of Net Sales Decrease for the year ended March 31, 2017



(Billions of Yen)



# Statement of Income

(Billions of Yen)	Apr. '15 - Mar. '16	Apr. '16 - Mar. '17	Change	%Change
Net sales	1,009.5	874.4	(135.1)	(13.4%)
Cost of sales	526.7	453.8	(72.9)	(13.8%)
Gross profit	482.8	420.5	(62.2)	(12.9%)
Exploration expenses	6.1	6.7	0.5	9.2%
Selling, general and administrative expenses	86.5	77.3	(9.1)	(10.5%)
Operating income	390.1	336.4	(53.6)	(13.8%)
Other income	69.9	39.0	(30.8)	(44.1%)
Other expenses	85.3	41.6	(43.6)	(51.2%)
Ordinary income	374.7	333.8	(40.8)	(10.9%)
Extraordinary loss (Impairment loss)	45.8	6.3	(39.5)	(86.1%)
Total income taxes	354.3	271.3	(83.0)	(23.4%)
Net income (loss) attributable to non-controlling interests	(42.2)	9.9	52.2	-
Net income attributable to owners of parent	16.7	46.1	29.3	175.2%

Increase in sales volume :	+34.8
Decrease in unit price :	(85.9)
Exchange rate (Appreciation of yen) :	(85.1)
Others :	1.0

Cost of sales for Crude Oil :	304.4
(Change)	(39.7)
Cost of sales for Natural Gas* :	136.9
(Change)	(33.7)
* Including LPG	

Main factors for change :	
Gain on sales of marketable securities	(25.9)
Dividend income	(8.0)

Main factors for change :	
Equity in losses of affiliates	(20.6)
Provision for allowance for recoverable accounts under production sharing	(10.6)
Loss on disposal of fixed Assets	(8.5)

# Other Income/Expenses



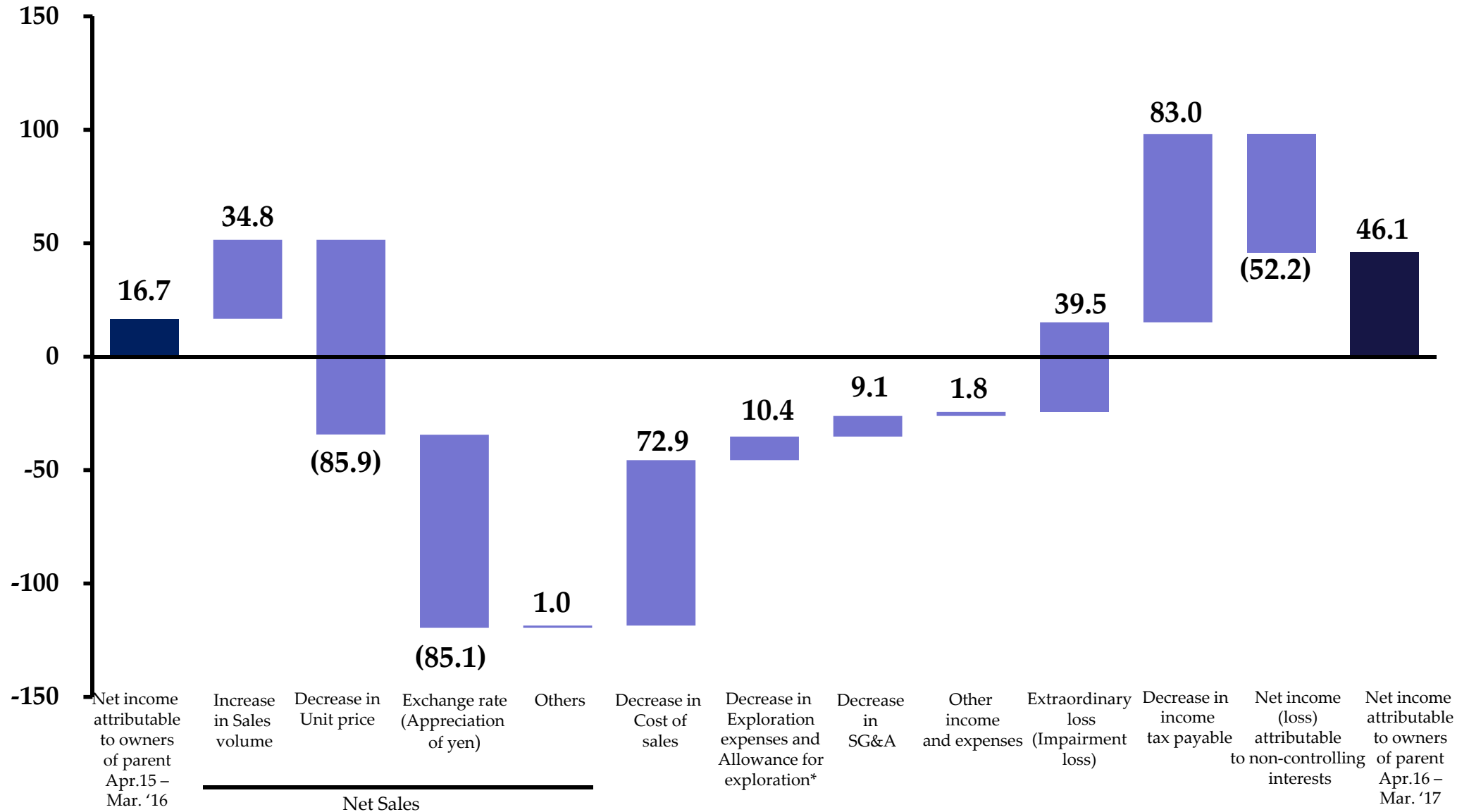
(Billions of Yen)	Apr. '15 - Mar. '16	Apr. '16 - Mar. '17	Change	%Change
Other income	69.9	39.0	(30.8)	(44.1%)
Interest income	10.7	10.4	(0.2)	(2.7%)
Dividend income	10.8	2.8	(8.0)	(74.1%)
Gain on sales of marketable securities	25.9	-	(25.9)	-
Gain on sales of investment securities	5.6	4.9	(0.6)	(11.8%)
Equity in earnings of affiliates	-	2.1	2.1	-
Foreign exchange gain	2.9	-	(2.9)	-
Other	13.7	18.6	4.9	35.8%
Other expenses	85.3	41.6	(43.6)	(51.2%)
Interest expense	4.1	5.2	1.0	24.5%
Equity in losses of affiliates	20.6	-	(20.6)	-
Provision of allowance for doubtful accounts	0.1	8.3	8.1	-
Provision for allowance for recoverable accounts under production sharing	25.0	14.3	(10.6)	(42.6%)
Provision for exploration projects	0.3	-	(0.3)	-
Foreign exchange loss	-	3.7	3.7	-
Loss on disposal of fixed assets	13.2	4.7	(8.5)	(64.0%)
7 Other	21.6	5.1	(16.4)	(76.0%)



# Analysis of Net Income Increase



(Billions of Yen)



# Balance Sheet



(Billions of yen)	Mar. '16	Mar. '17	Change	%Change
Current assets	984.3	942.9	(41.3)	(4.2%)
Tangible fixed assets	1,752.6	1,928.5	175.9	10.0%
Intangible assets	541.4	521.2	(20.2)	(3.7%)
Recoverable accounts under production sharing	727.7	611.9	(115.8)	(15.9%)
Other	495.4	424.2	(71.1)	(14.4%)
Less allowance for recoverable accounts under production sharing	(131.7)	(116.8)	14.9	(11.3%)
<b>Total assets</b>	<b>4,369.8</b>	<b>4,312.1</b>	<b>(57.6)</b>	<b>(1.3%)</b>
Current liabilities	319.1	297.4	(21.6)	(6.8%)
Long-term liabilities	871.9	807.1	(64.7)	(7.4%)
Total net assets	3,178.8	3,207.5	28.7	0.9%
(Non-controlling interests)	245.9	264.3	18.4	7.5%
<b>Total liabilities and net assets</b>	<b>4,369.8</b>	<b>4,312.1</b>	<b>(57.6)</b>	<b>(1.3%)</b>
Net assets per share (Yen)	2,008.34	2,015.38	7.04	0.4%

Available fund (Billions of yen)\* : 663.0

Breakdown

- Cash and deposits : 652.6
- Available investment securities : 10.4

\*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 : 20.5
- Fixed assets : 3,094.7
- Total assets: 3,115.2

Total shareholders' equity : +19.8  
Accumulated other comprehensive income (Billions of yen) : (9.6)

- Unrealized holding gain on securities : +1.5
- Unrealized loss from hedging instruments : +7.3
- Translation adjustments : (18.5)

# Statement of Cash Flows



(Billions of Yen)	Apr. '15 - Mar. '16	Apr. '16 - Mar. '17	Change	%Change
Income before income taxes	328.8	327.5	(1.3)	(0.4%)
Depreciation and amortization	86.7	91.1	4.3	5.0%
Recovery of recoverable accounts under production sharing (capital expenditures)	64.1	79.8	15.6	24.4%
Recoverable accounts under production sharing (operating expenditures)	(45.8)	(2.8)	43.0	-
Income taxes paid	(393.5)	(292.8)	100.7	(25.6%)
Other	143.2	72.9	(70.3)	(49.1%)
<b>Net cash provided by (used in) operating activities</b>	<b>183.7</b>	<b>275.8</b>	<b>92.1</b>	<b>50.1%</b>
Payments for time deposits / Proceeds from time deposits	245.9	566.5	320.6	130.4%
Payments for long-term time deposits / Proceeds from long-term time deposits	(439.9)	-	439.9	-
Payments for purchases of tangible fixed assets	(476.7)	(278.3)	198.4	(41.6%)
Payments for purchases of marketable securities/investment securities and proceeds from sales of marketable securities/investment securities	196.4	(69.6)	(266.0)	-
Investment in recoverable accounts under production sharing (capital expenditures)	(60.4)	(37.3)	23.1	(38.2%)
Long-term loans made / Collection of long-term loans receivable	169.0	(133.2)	(302.2)	-
Payments for purchases of mining rights	(134.5)	-	134.5	-
Other	(43.1)	5.4	48.6	-
<b>Net cash provided by (used in) investing activities</b>	<b>(543.5)</b>	<b>53.4</b>	<b>597.0</b>	<b>-</b>
<b>Net cash provided by (used in) financing activities</b>	<b>156.7</b>	<b>(65.4)</b>	<b>(222.1)</b>	<b>-</b>
Cash and cash equivalents at end of the period	53.8	316.7	262.9	-

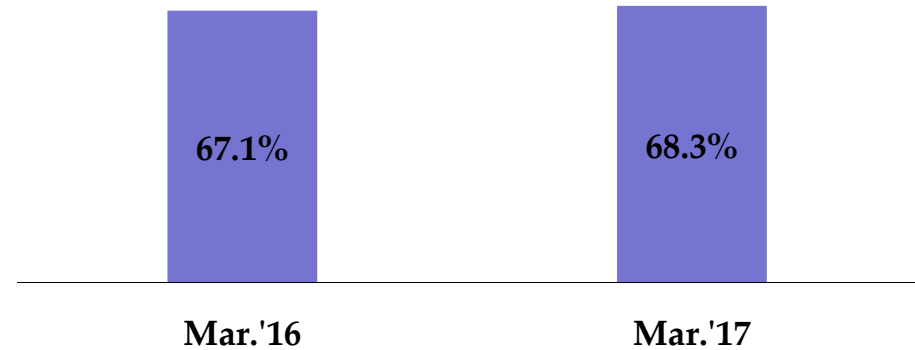
# Financial Indices



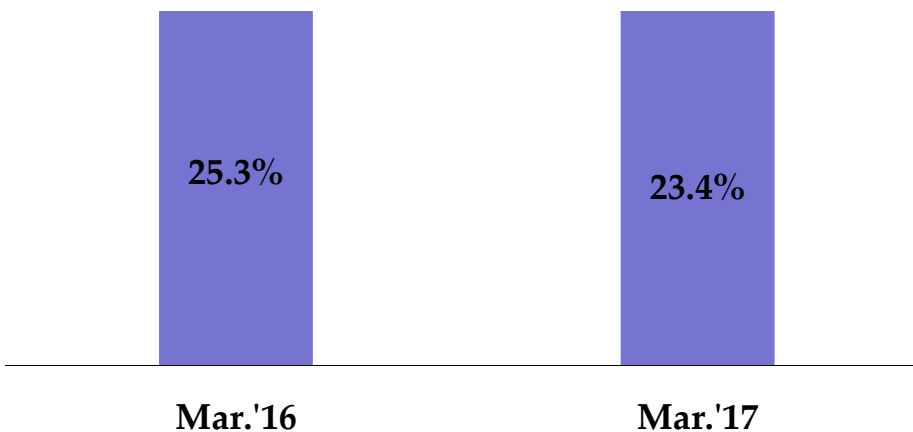
## Net Debt/Total Capital Employed (Net)\*



## Equity Ratio\*\*



## D/E Ratio\*\*\*



\* Net Debt/Total Capital Employed (Net) = (Interest-bearing debt - Cash and deposits - Public and corporate bonds and other debt securities (with determinable value) - Long term time deposits)/(Net assets + Interest-bearing debt - Cash and deposits - Public and corporate bonds and other debt securities (with determinable value) - Long term time deposits)

\*\* Equity Ratio = (Net assets - Non-controlling interests)/Total assets

\*\*\* D/E Ratio = Interest-bearing debt/ (Net asset - Non-controlling interests)

# Consolidated Financial Forecasts for the year ending March 31, 2018



	1st Half	2nd Half	Full year
Brent oil price (\$/bbl)	50.0	50.0	50.0
Average exchange rate (¥/\$)	110.0	110.0	110.0

Full Year	Mar. '17 (Actual)	Mar. '18 (Forecasts)	Change	% Change
Net Sales (Billions of yen)	874.4	844.0	(30.4)	(3.5%)
Operating Income (Billions of yen)	336.4	303.0	(33.4)	(9.9%)
Ordinary Income (Billions of yen)	333.8	329.0	(4.8)	(1.5%)
Net income attributable to owners of parent (billions of yen)	46.1	47.0	0.8	1.8%

## 1st Half

Net Sales (Billions of yen)	389.6	431.0	41.3	10.6%
Operating Income (Billions of yen)	138.0	155.0	16.9	12.3%
Ordinary Income (Billions of yen)	132.1	167.0	34.8	26.3%
Net income attributable to owners of parent (billions of yen)	15.7	24.0	8.2	52.6%

Cash dividends per share (yen)	2Q End	9.0	9.0
	FY End	9.0	9.0
	TOTAL	18.0	18.0

# Sales and Investment Plan for the year ending March 31, 2018



		Mar. '17 (Actual)	Mar. '18 (Forecasts)	Change	% Change
Sales Volume	Crude oil (thousand bbl) <sup>1</sup>	122,207	119,393	(2,814)	(2.3%)
	Natural gas (million cf) <sup>2</sup>	342,994	266,609	(76,385)	(22.3%)
	Overseas	271,699	187,643	(84,057)	(30.9%)
	Japan	71,295 (1,910 million m <sup>3</sup> )	78,967 (2,116 million m <sup>3</sup> )	7,671 (206 million m <sup>3</sup> )	10.8%
	LPG (thousand bbl) <sup>3</sup>	1,860	257	(1,602)	(86.2%)

(Billions of yen)	Mar. '17 (Actual)	Mar. '18 (Forecasts)	Change	% Change
Development expenditure <sup>4</sup>	578.5	606.0	27.5	4.8%
Other capital expenditure	10.5	1.0	(9.5)	(90.5%)
Exploration expenditure	16.1	8.0	(8.1)	(50.3%)
<i>Exploration expenses and Provision for explorations</i> <sup>5</sup>	<i>Exploration expenses</i> 6.7	<i>Exploration expenses</i> 4.5	(0.8)	(8.4%)
	<i>Provision for explorations</i> 2.7	<i>Provision for explorations</i> 4.2		
<i>(Non-controlling Interests Portion)</i> <sup>6</sup>	1.9	2.9	1.0	52.6%

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 Development expenditure includes investment in Ichthys downstream

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

6 Capital increase from Non-controlling interests, etc.

# 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 March 31, 2018 (Note 1) (Billions of yen)

■ Brent Crude Oil Price; \$1/bbl increase (decrease) (Note 2)	+2.4 (-2.4)
■ Exchange Rate; ¥1 depreciation (appreciation) against the U.S. dollar (Note 3)	+1.0 (-1.0)

(Note1) The sensitivities represent the impact on net income for the year ending March 31, 2018 against a \$1 /bbl increase (decrease) of Brent crude oil price on annual average and a ¥ 1 depreciation (appreciation) against the U.S. dollar. These are based on the financial situation at the beginning of the fiscal year. These are for reference purposes only and the actual impact may be subject to change 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 by fluctuation of crude oil price and is subject to the average price of crude oil (Brent) in the fiscal year.

(Note3) This is a sensitivity on net income by fluctuation of the yen against the U.S. dollar and is subject to the average exchange rate in the fiscal year. 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.