

## Support Material

Financial Results for the year ended December 31, 2021

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February 9, 2022



### Cautionary Statement

**INPEX**

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.

	FY2020	FY2021	Change	% Change
Net sales (Billions of yen)	771.0	1,244.3	473.3	61.4%
Crude oil sales	505.5	905.1	399.6	79.1%
Natural gas sales (including LPG)	250.5	320.5	69.9	27.9%
Others	14.9	18.5	3.6	24.5%
Operating income (Billions of yen)	248.4	590.6	342.1	137.7%
Ordinary income (Billions of yen)	257.3	657.6	400.2	155.6%
Net income (loss) attributable to owners of parent (Billions of yen)	(111.6)	223.0	334.7	-
Net income (loss) per share* (Yen)	(76.50)	153.87	230.37	-

\* Average number of INPEX shares issued and outstanding during the year ended December 31, 2021: 1,449,617,608

Average crude oil price (Brent) (\$/bbl)	43.21	70.95	27.74	64.2%
Average exchange rate (¥/\$)	106.77	109.90	3.13yen depreciation	2.9% depreciation

## Crude Oil Sales

	FY2020	FY2021	Change	% Change
Net sales (Billions of yen)	505.5	905.1	399.6	79.1%

Sales volume (thousand bbl)	117,282	120,118	2,837	2.4%
Average unit price of overseas sales (\$/bbl)	40.31	68.43	28.12	69.8%
Average unit price of domestic sales (¥/kl)	31,001	50,014	19,013	61.3%
Average exchange rate (¥/\$)	106.84	110.09	3.25yen depreciation	3.0% depreciation

Sales volume by region (thousand bbl)	FY2020	FY2021	Change	% Change
Japan	621 (98.7thousand kl)	547 (87.0 thousand kl)	(74) (-11.7 thousand kl)	(11.9%)
Asia & Oceania	15,580	18,508	2,927	18.8%
Eurasia (Europe & NIS)	16,918	15,528	(1,390)	(8.2%)
Middle East & Africa	81,022	82,261	1,239	1.5%
Americas	3,141	3,275	134	4.3%
Total	117,282	120,118	2,837	2.4%

	FY2020	FY2021	Change	% Change
Net sales (Billions of yen)	247.8	313.6	65.8	26.6%

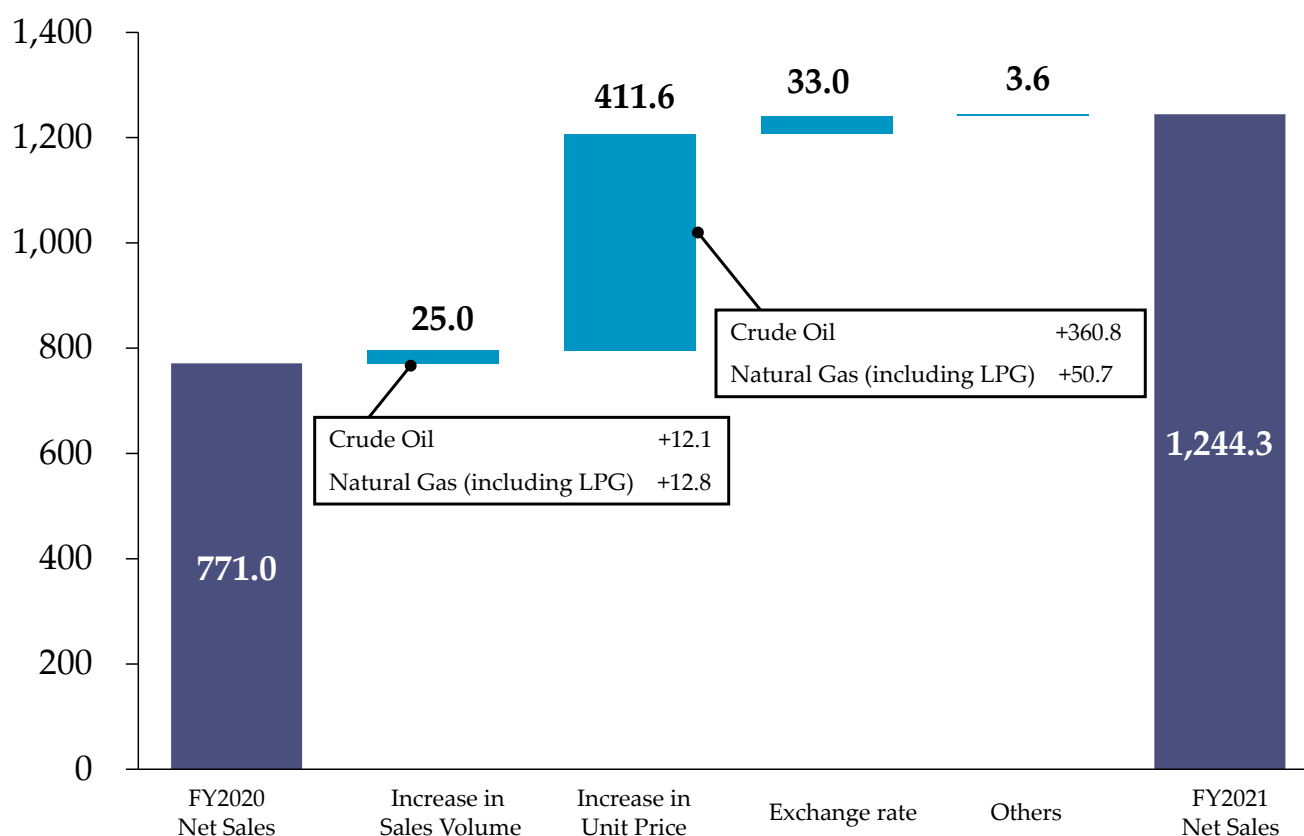
Sales volume (million cf)	467,466	464,805	(2,661)	(0.6%)
Average unit price of overseas sales (\$/thousand cf)	3.61	4.96	1.35	37.4%
Average unit price of domestic sales (¥/m <sup>3</sup> )	46.93	45.73	(1.20)	(2.6%)
Average exchange rate (¥/\$)	106.88	110.16	3.28yen depreciation	3.1% depreciation

Sales volume by region (million cf)	FY2020	FY2021	Change	% Change
Japan	77,413 (2,074 million m <sup>3</sup> *)	87,737 (2,351 million m <sup>3</sup> *)	10,325 (+277 million m <sup>3</sup> *)	13.3%
Asia & Oceania	361,864	357,227	(4,637)	(1.3%)
Eurasia (Europe & NIS)	9,086	9,628	541	6.0%
Middle East & Africa	-	-	-	-
Americas	19,102	10,213	(8,889)	(46.5%)
Total	467,466	464,805	(2,661)	(0.6%)

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

## Analysis of Net Sales

(Billions of Yen)



# Statement of Income



(Billions of Yen)	FY2020	FY2021	Change	% Change	
Net sales	771.0	1,244.3	473.3	61.4%	Increase in sales volume : +25.0 Increase in unit price : +411.6 Exchange rate: +33.0 Others : +3.6
Cost of sales	439.8	568.9	129.0	29.3%	
Gross profit	331.1	675.4	344.2	103.9%	
Exploration expenses	9.0	6.4	(2.6)	(29.0%)	
Selling, general and administrative expenses	73.6	78.3	4.6	6.4%	Cost of sales for Crude Oil: 386.2 (Change) +117.9 Cost of sales for Natural Gas*:168.5 (Change) +9.3 * Including LPG
Operating income	248.4	590.6	342.1	137.7%	
Other income	63.8	112.2	48.4	75.9%	Main factor for change : Equity in gains of affiliates +38.8
Other expenses	54.9	45.2	(9.6)	(17.6%)	Main factor for change : Equity in losses of affiliates (12.9)
Ordinary income	257.3	657.6	400.2	155.6%	
Extraordinary loss (Impairment loss)	189.9	14.1	(175.7)	(92.5%)	Main factors for change : Prelude FLNG Project (129.0) Eagle Ford (33.2) Lucius Oil Field (18.6) Bayu-Undan (8.9)
Total income taxes	171.2	429.5	258.3	150.9%	
Net income (loss) attributable to non-controlling interests	7.8	(9.1)	(17.0)	-	
Net income (loss) attributable to owners of parent	(111.6)	223.0	334.7	-	

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# Other Income and Expenses

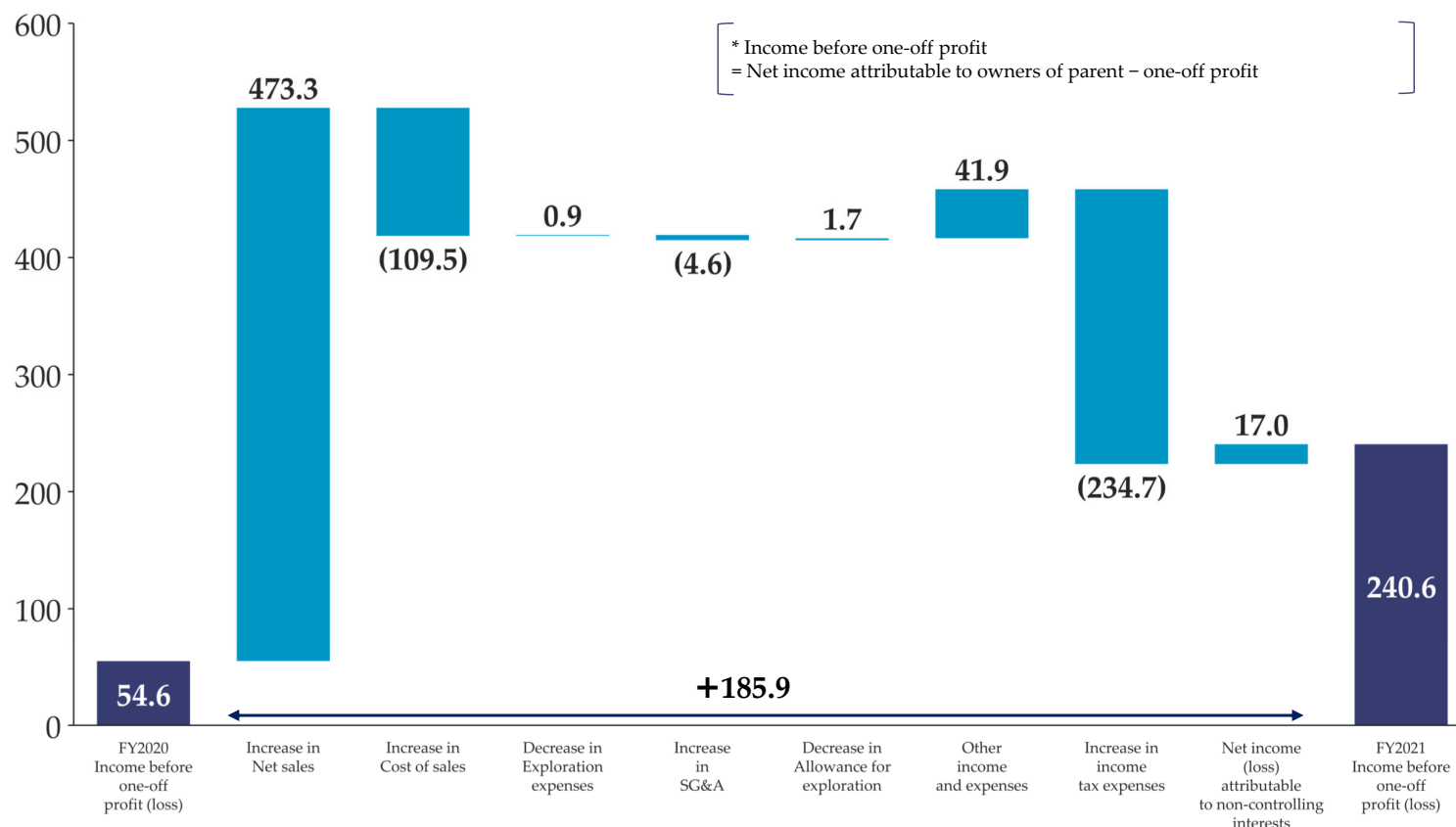


(Billions of Yen)	FY2020	FY2021	Change	% Change
Other income	63.8	112.2	48.4	75.9%
Interest income	33.4	31.1	(2.3)	(7.1%)
Dividend income	6.7	7.4	0.7	10.7%
Equity in earnings of affiliates	-	38.8	38.8	-
Gain on reversal of allowance for recoverable accounts under production sharing	-	7.5	7.5	-
Other	23.5	27.2	3.6	15.6%
Other expenses	54.9	45.2	(9.6)	(17.6%)
Interest expense	19.0	13.7	(5.3)	(28.0%)
Equity in losses of affiliates	12.9	-	(12.9)	(100.0%)
Provision for allowance for recoverable accounts under production sharing	2.5	-	(2.5)	(100.0%)
Provision for exploration projects	0.0	-	(0.0)	(100.0%)
Foreign exchange loss	8.2	6.7	(1.4)	(18.3%)
Loss on disposal of fixed assets	0.0	5.9	5.8	-
Other	11.9	18.8	6.8	57.5%

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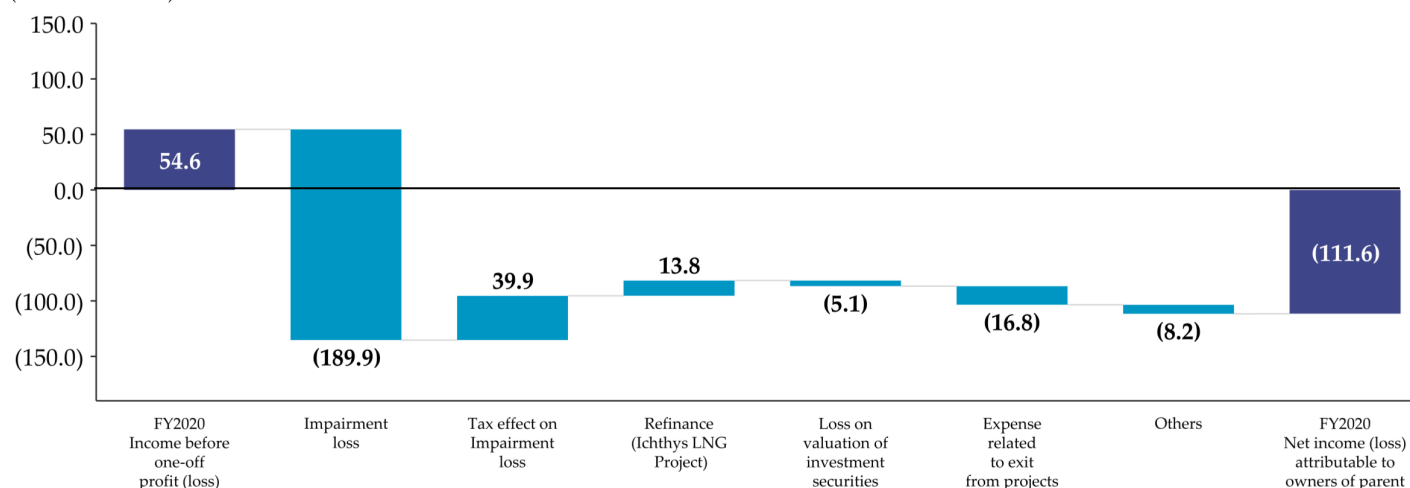
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(Billions of Yen)

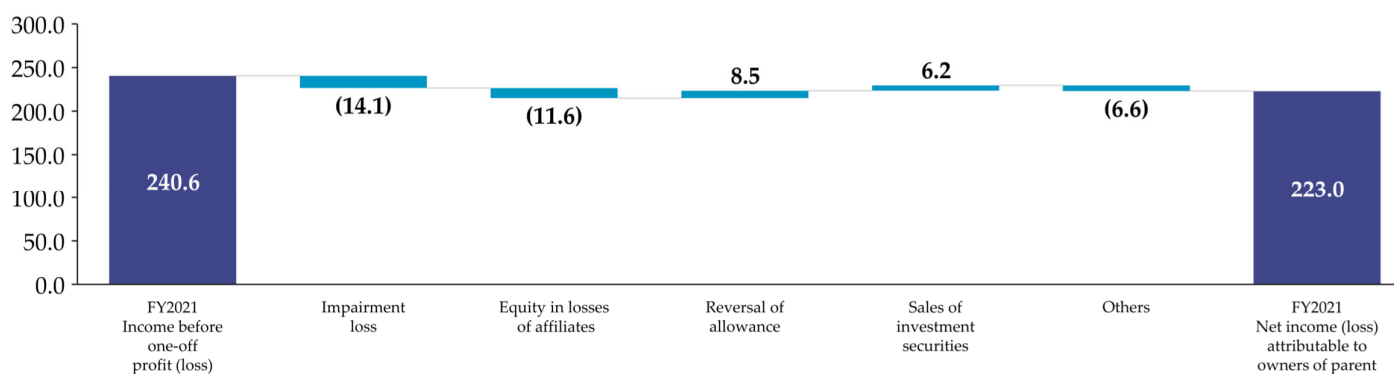


FY2021  
Analysis of Impact of One-off Profit (Loss)

(Billions of Yen)



(Billions of Yen)



(Billions of yen)	December 2020	December 2021	Change	% Change
Current assets	387.0	518.8	131.7	34.0%
Tangible fixed assets	2,069.7	2,259.8	190.0	9.2%
Intangible assets	441.8	446.6	4.8	1.1%
Recoverable accounts under production sharing	575.5	548.1	(27.3)	(4.8%)
Other	1,229.7	1,446.5	216.8	17.6%
Less allowance for recoverable accounts under production sharing	(69.4)	(61.8)	7.5	(10.9%)
<b>Total assets</b>	<b>4,634.5</b>	<b>5,158.1</b>	<b>523.6</b>	<b>11.3%</b>
Current liabilities	339.2	348.8	9.5	2.8%
Long-term liabilities	1,293.8	1,462.8	169.0	13.1%
<b>Total net assets</b>	<b>3,001.3</b>	<b>3,346.4</b>	<b>345.0</b>	<b>11.5%</b>
(Non-controlling interests)	264.7	222.3	(42.4)	(16.0%)
<b>Total liabilities and net assets</b>	<b>4,634.5</b>	<b>5,158.1</b>	<b>523.6</b>	<b>11.3%</b>
Net assets per share (Yen)	1,874.08	2,253.17	379.09	20.2%

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

- Current assets : 134.4
- Fixed assets : 3,703.1
- Total assets: 3,837.6

\*Fixed assets include interest expense which are not included in CAPEX, and capitalized costs before FID.

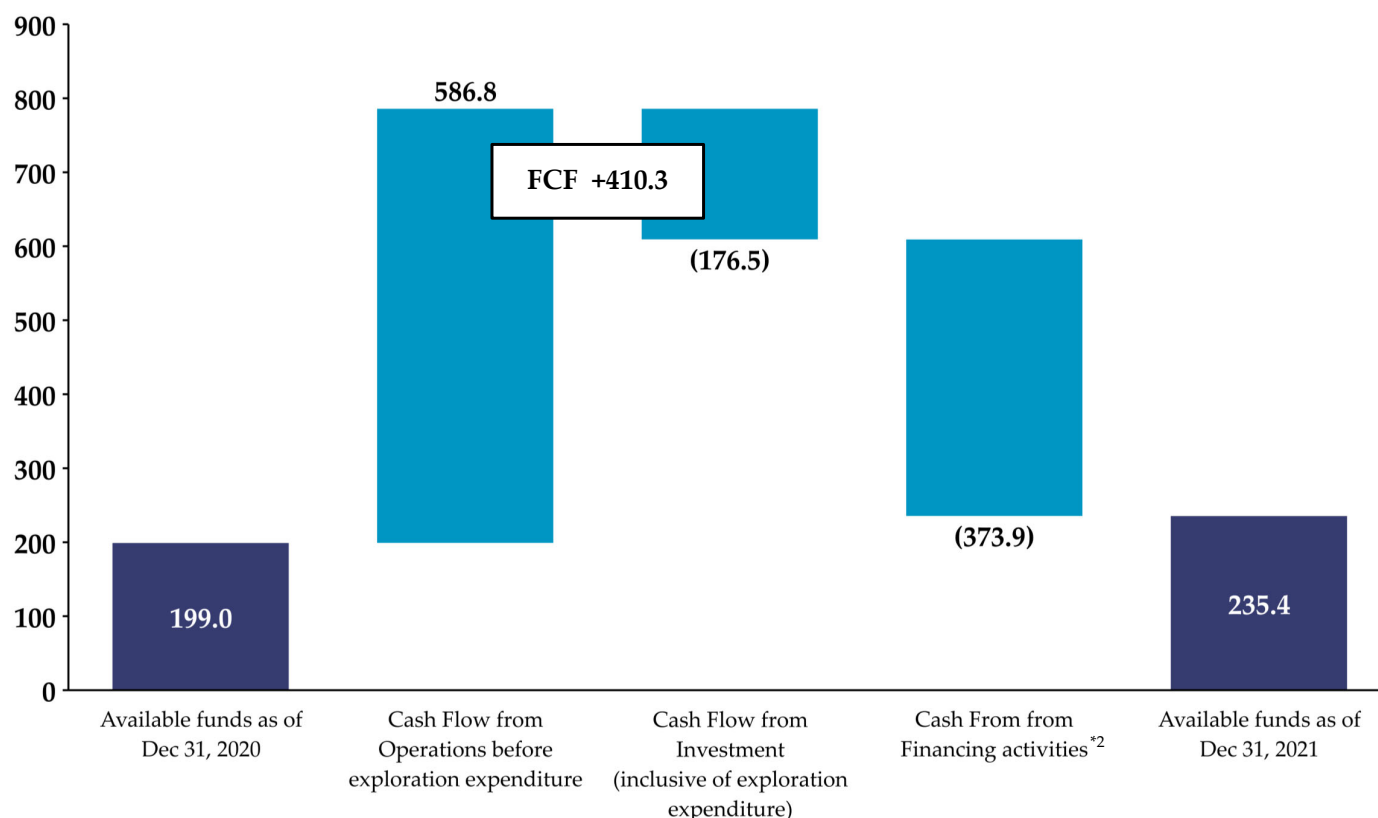
The total of long-term loans and short term loans is 1.1 trillion yen.  
Adding the off-balanced net loans of the Ichthys IJV brings the total of INPEX net loans to be 2.0 trillion yen (as of Dec, 2021).

(Billions of yen)  
Total shareholders' equity: + 113.3  
Accumulated other comprehensive income : + 274.1

# Statement of Cash Flows

(Billions of Yen)	FY2020	FY2021	Change
Income before income taxes	67.3	643.4	576.0
Depreciation and amortization	174.0	203.1	29.0
Impairment loss	189.9	14.1	(175.7)
Recovery of recoverable accounts under production sharing (capital expenditures)	34.6	62.2	27.5
Decrease (increase) in recoverable accounts under production sharing (operating expenditures)	(7.1)	(4.1)	2.9
Decrease (Increase) in accounts receivable-trade	61.7	(83.6)	(145.4)
Income taxes paid	(218.0)	(352.7)	(134.6)
Other	(9.7)	(37.0)	(27.2)
<b>Net cash provided by (used in) operating activities</b>	<b>292.9</b>	<b>445.4</b>	<b>152.5</b>
Payments for time deposits / Proceeds from time deposits	(10.8)	1.1	11.9
Payments for purchases of tangible fixed assets	(129.7)	(140.4)	(10.7)
Payments for purchases of marketable securities/investment securities and proceeds from sales of marketable securities/investment securities	0.8	12.4	11.5
Investment in recoverable accounts under production sharing (capital expenditures)	(35.0)	(30.8)	4.2
Long-term loans made / Collection of long-term loans receivable	(44.7)	34.5	79.2
Payments for purchase of long-term loans receivable	(201.7)	-	201.7
Payments for acquisitions of participating interests	(5.7)	(7.7)	(1.9)
Other	9.8	0.2	(9.5)
<b>Net cash provided by (used in) investing activities</b>	<b>(417.1)</b>	<b>(130.7)</b>	<b>286.4</b>
<b>Net cash provided by (used in) financing activities</b>	<b>126.7</b>	<b>(315.2)</b>	<b>(441.9)</b>
Cash and cash equivalents at end of the period	172.4	191.2	18.8

(Billions of Yen)



\*1 Including cashflow of Ichthys LNG Pty Ltd, the Ichthys Downstream IJV (Incorporated Joint Venture), an equity method affiliate

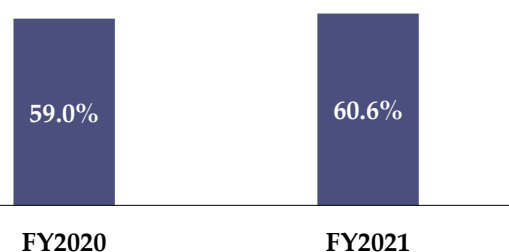
\*2 Including translation adjustments related to available fund

## Financial Indices

### Net Debt/Total Capital Employed (Net)\*1



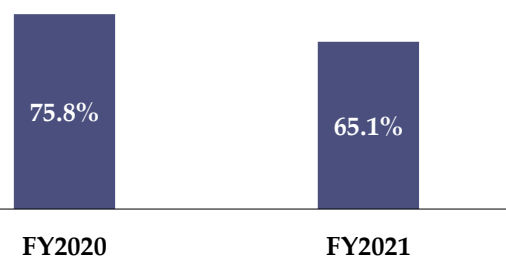
### Equity Ratio\*2



### D/E Ratio (Net)\*3



### D/E Ratio (Net)\*3 including the Ichthys IJV



\*1 Net Debt/Total Capital Employed (Net) = (Interest-bearing debt - Cash and deposits)/(Net assets + Interest-bearing debt - Cash and deposits)

\*2 Equity Ratio = (Net assets - Non-controlling interests)/Total assets

\*3 D/E Ratio (Net) = (Interest-bearing debt-Cash and deposits)/ (Net asset - Non-controlling interests)

# Consolidated Financial Forecasts for the year ending December 31, 2022

Assumptions	First Half (Jan to Jun 2022)	Second Half (Jul to Dec 2022)	Full Year (Jan to Dec 2022)
Brent oil price (\$/bbl)*1	80.0	70.0	75.0
Average exchange rate (¥/\$)	110.0	110.0	110.0

\*1 Quarterly breakdown of the Brent oil price assumption is as follows:\$85 for Q1,\$75 for Q2 and Q3, \$65 for Q4

Full Year	FY2021 (Actual)	FY2022 (Forecast)	Change	% Change
Net Sales (Billions of yen)	1,244.3	1,541.0	296.7	23.8%
Operating Income (Billions of yen)	590.6	716.0	125.4	21.2%
Ordinary Income (Billions of yen)	657.6	824.0	166.4	25.3%
Net income attributable to owners of parent (Billions of yen)	223.0	250.0	27.0	12.1%

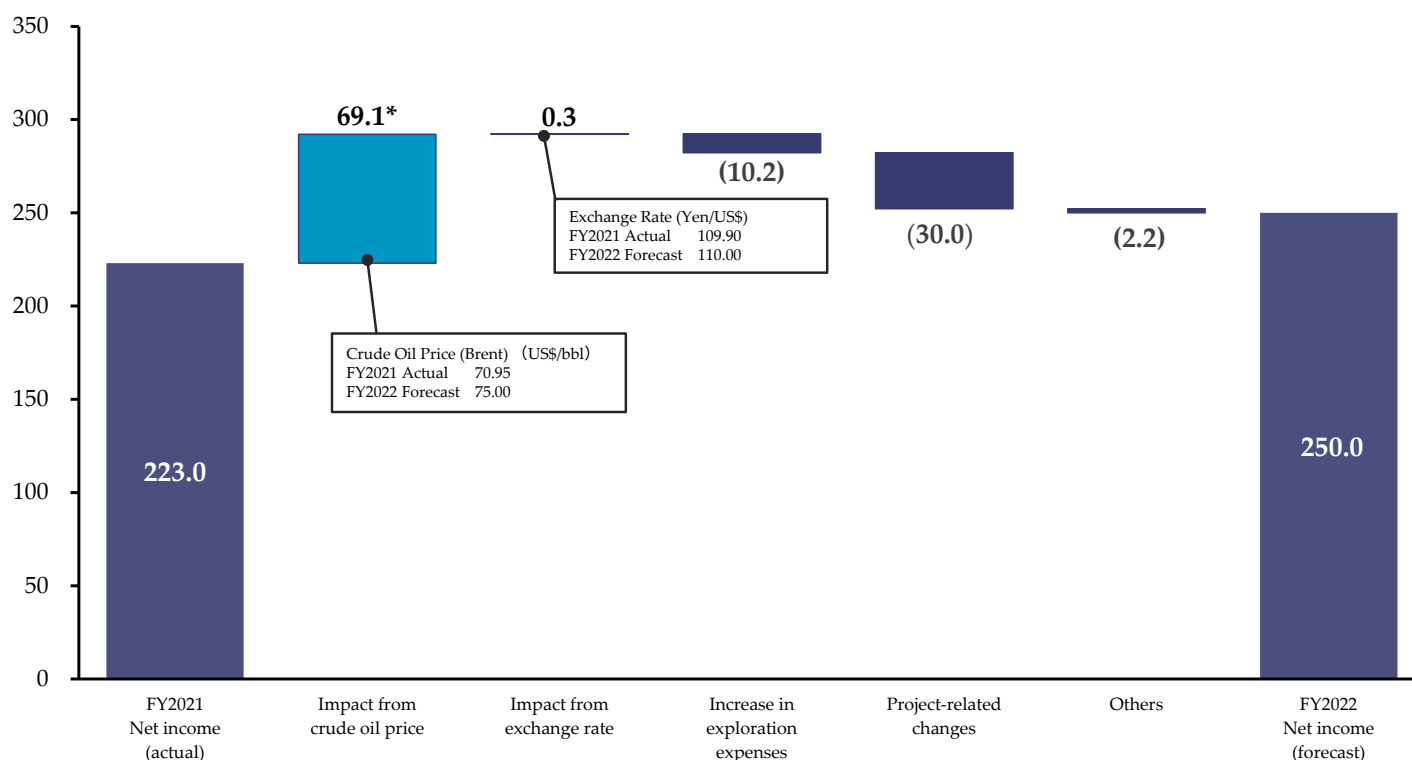
1st Half	FY2021 2Q (Actual)	FY2022 2Q (Forecast)	Change	% Change
Net Sales (Billions of yen)	498.3	820.0	321.7	64.5%
Operating Income (Billions of yen)	223.6	394.0	170.4	76.2%
Ordinary Income (Billions of yen)	219.8	466.0	246.2	112.0%
Net income attributable to owners of parent (Billions of yen)	51.9	150.0	98.1	189.0%

Cash dividends per share*2 (yen)	FY2021 (Actual)	FY2022 (Forecast)
2Q End	20.0	27.0
FY End	28.0	27.0
TOTAL	48.0	54.0

\*2 FY2022 dividend reference dates are June 30, 2022 for the mid-term dividend and December 31, 2022 for the year-end dividend.

## FY2022 Financial Forecasts Analysis of Increase

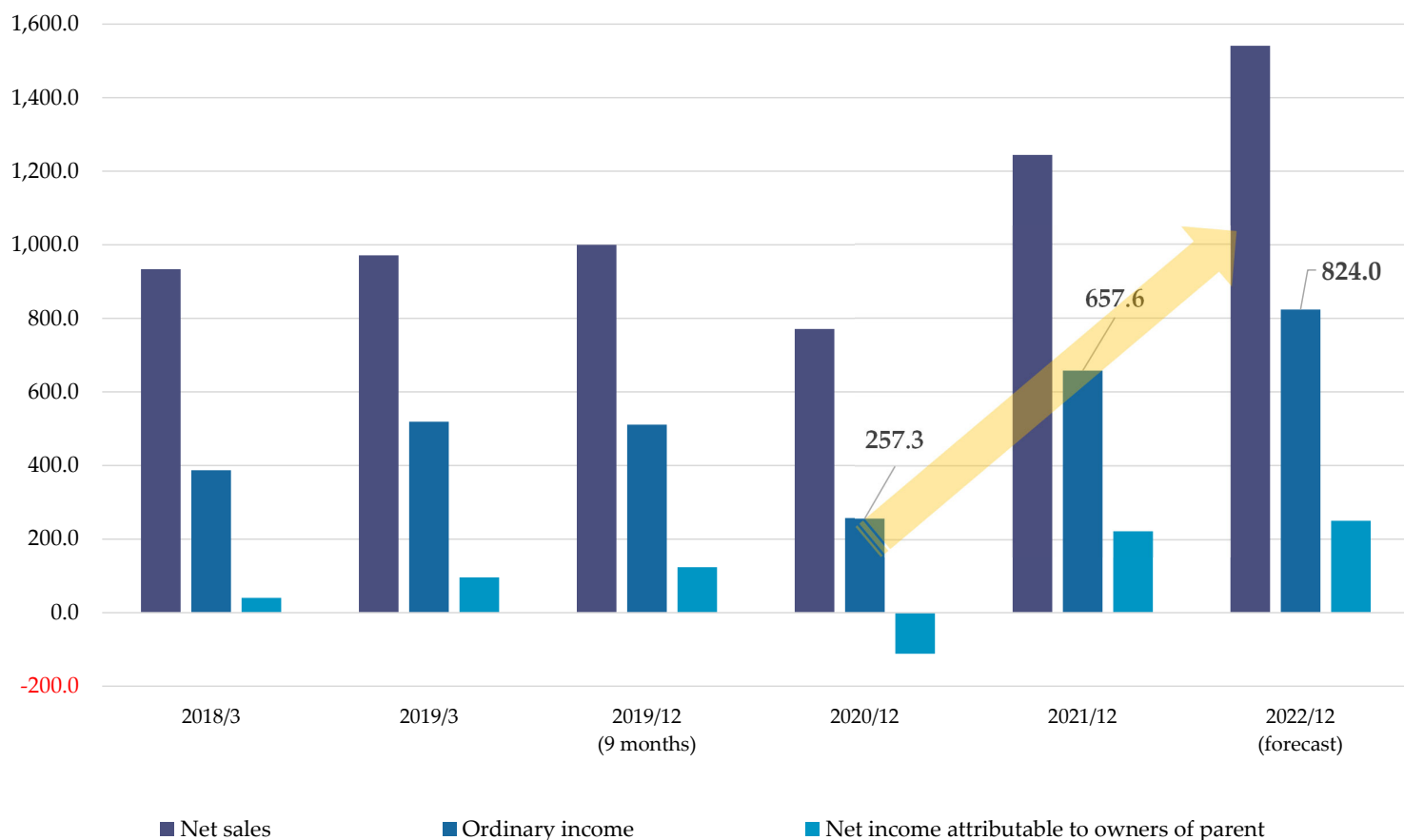
(Billions of Yen)



\*The discrepancy between the oil price impact figure shown above and the oil price impact calculated from the difference in the Brent oil prices and the oil price sensitivity for FY2022 takes into consideration certain natural gas sales applying oil prices on a delayed basis.



(Billions of Yen)



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## FY2022 Sales Volume and Investment Expenditures (Forecast)

		FY2021 (actual)	FY2022 (forecast)	Change	% Change
Sales Volume	Crude oil (thousand bbl) <sup>*1</sup>	120,118	133,071	12,953	10.8%
	Natural gas (million cf) <sup>*2</sup>	464,805	482,857	18,052	3.9%
	Overseas	382,819	401,076	18,257	4.8%
	Japan	81,986 (2,197 million m <sup>3</sup> )	81,781 (2,191 million m <sup>3</sup> )	(206) ((6) million m <sup>3</sup> )	(0.3%)
	LPG (thousand bbl) <sup>*3</sup>	710	664	(46)	(6.5%)

(Billions of yen)		FY2021 (actual)	FY2022 (forecast)	Change	% Change
Development expenditure and others <sup>*4</sup>		183.6	404.0	220.4	120.0%
Exploration expenditure		7.4	43.0	35.6	481.1%
Other expenditure		7.0	9.0	2.0	28.6%
Exploration expenses and Provision for explorations <sup>*5</sup>	Exploration expenses 6.4	7.2	Exploration expenses 39.9	36.2	502.8%
	Provision for explorations 0.8		Provision for explorations 3.5		
(Non-controlling Interests Portion) <sup>*6</sup>		0	26.0	26.0	-

Note: Within the FY2022 forecasts for development expenditure and others, 120.0 billion yen is attributable to expenditures for 5 net zero businesses

<sup>\*1</sup> CF for domestic crude oil sales and petroleum products : 1kl=6.29bbl<sup>\*2</sup> CF for domestic natural gas sales : 1m3=37.32cf<sup>\*3</sup> CF for domestic LPG sales : 1t=10.5bbl<sup>\*4</sup> Includes Ichthys downstream and asset acquisition expenditures<sup>\*5</sup> "Provision for allowance for recoverable accounts under production sharing" + "Provision for exploration projects", relating to exploration activities<sup>\*6</sup> Capital increase from Non-controlling interests, etc.

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- Sensitivities of crude oil price and foreign exchange fluctuation on consolidated net income attributable to owners of parent for the year ending December 31, 2022\*<sup>1</sup>

(Billions of yen)

Brent Crude Oil Price; \$1/bbl increase (decrease)* <sup>2</sup>	At Beginning of 1Q : +6.0 (-6.0) The impact on net income will change in FY2022 as below; At beginning of 2Q : +4.2 (-4.2) At beginning of 3Q : +2.3 (-2.3) At beginning of 4Q : +1.0 (-1.0)
Exchange Rate; ¥1 depreciation (appreciation) against the U.S. dollar* <sup>3</sup>	+2.8 (-2.8)

\*1 The sensitivities calculated at the beginning of the fiscal year (January 2022) represent the impact on net income for the year ending December 31, 2022 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 at the beginning of the fiscal year and are for reference purposes only. 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.

\*2 Net income sensitivity is determined by fluctuations in the oil price and is subject to the average price of crude oil (Brent). A breakdown of quarterly sensitivity figures is listed below taking into consideration certain natural gas sales applying oil prices on a delayed basis;

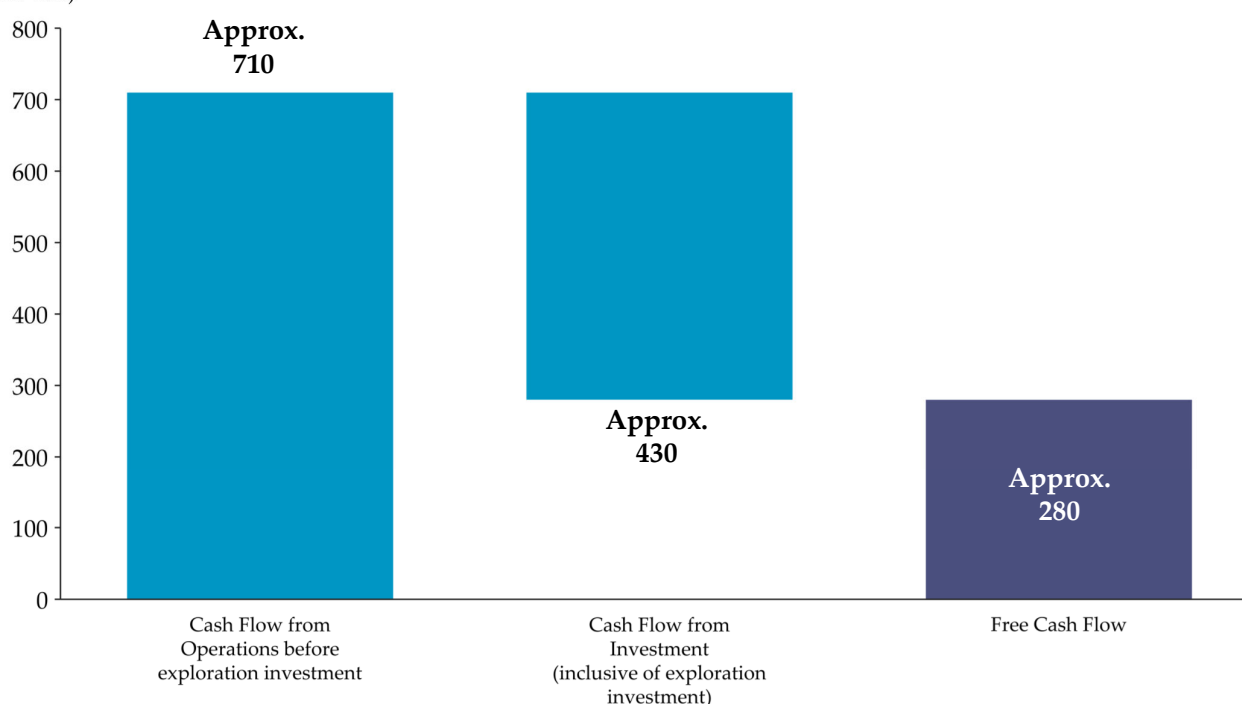
- At beginning of 1Q : +6.0 billions of yen (1Q : +1.0 billions of yen, 2Q : +1.3 billions of yen, 3Q : +1.7 billions of yen , 4Q : +2.0 billions of yen)
- At beginning of 2Q : +4.2 billions of yen (1Q : ----- , 2Q : +1.0 billions of yen, 3Q : +1.2 billions of yen , 4Q : +2.0 billions of yen)
- At beginning of 3Q : +2.3 billions of yen (1Q : ----- , 2Q : ----- , 3Q : +1.0 billions of yen , 4Q : +1.3 billions of yen)
- At beginning of 4Q : +1.0 billions of yen (1Q : ----- , 2Q : ----- , 3Q : ----- , 4Q : +1.0 billions of yen)

\*3 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, sensitivity related to the valuation of 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 largely neutralized.

## FY2022 Cash Flow Forecast \*

- Approximately ¥280 billion in free cash flow\* forecasted for FY2022.

(Billions of Yen)



\*1 Including cashflow of Ichthys LNG Pty Ltd, the Ichthys Downstream IJV (Incorporated Joint Venture), an equity method affiliate