

Progress Update for “Sustainable Growth of Corporate Value”

INPEX CORPORATION (Securities Code:1605)

August 8, 2024

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.

Various initiatives conducted after the announcement of “Sustainable Growth of Corporate Value” in August 2023

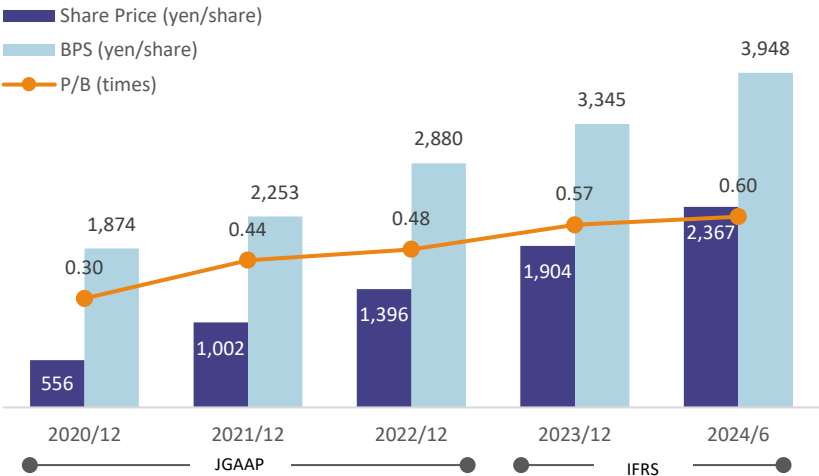
Our analysis on factors leading to the discount

- Room for improved profitability
- Risk of assets being stranded
- Uncertainty concerning shareholder returns

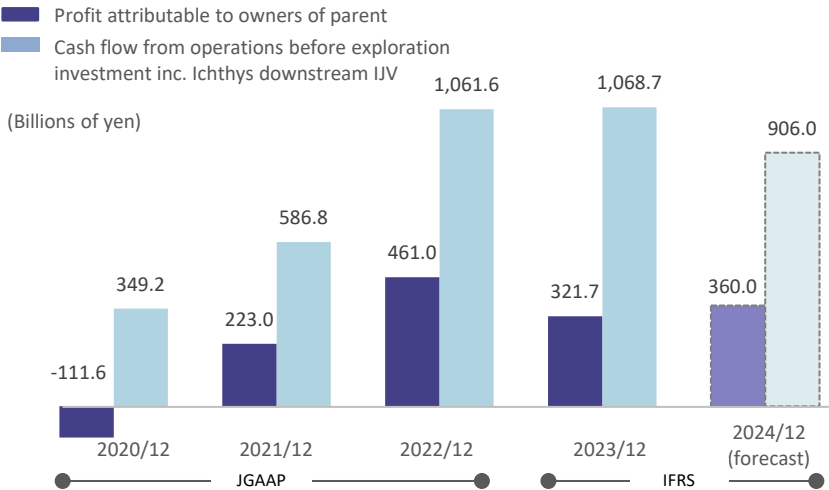
Our initiatives

- Improving capital efficiency
- Growth initiatives to gain market confidence
- Stronger shareholder returns and deeper dialogue with investors

Share Price and P/B



Financial Results



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Improving capital efficiency

Growth initiatives
to gain market confidence

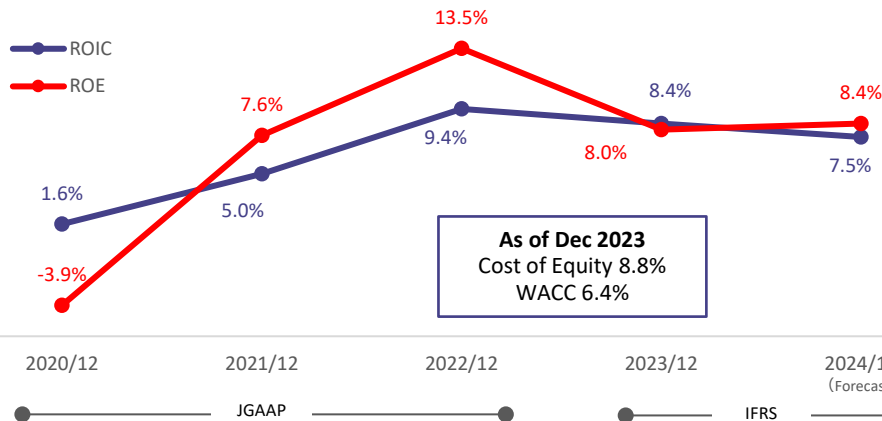
Stronger shareholder returns
and deeper dialogue with investors

INPEX

■ Introduction of ROIC and ROIC by Segment

- Introduced ROIC as management KPI in August 2023. Disclosed ROIC by segment in November 2023 at INPEX Investor Day.
- Achieved a ROIC above WACC in FY2023. Forecasting FY2024 ROIC to be 7.5%.
- With ROE and cost of equity in mind, aiming to achieve a ROIC above WACC in each of the business areas

ROE & ROIC



■ Steady Growth in Profit

- 360.0 billion yen profit, an increase of +11.9% YoY, forecasted for FY2024

■ Cost Reduction

- Production cost* of US\$5.6/boe forecasted for FY2024, maintaining similar level as the previous fiscal year despite the inflationary environment

*Average production cost per boe produced (excluding royalty)

■ Capital Management

- Stronger shareholder returns (Rf. page 12)
- Appropriately controlling leverage so that the net D/E ratio remains largely within the range of 0.3 to 0.5
- Net D/E ratio of 0.33 forecasted for FY2024 year end (Rf. Page18)

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■ Growth of oil & gas business

Ichthys LNG (In operation)

- **Continue stable operations**
- Aim to achieve LNG production volume of 9.3 mtpa (facility capacity already established)
- **Acquire stakes in the vicinity** to strengthen earnings base
- Continue evaluation of 3rd train expansion targeting start-up in the 2030s

Abadi LNG (Pre-FID)

- **Solid natural gas demand expected in Asia**
- Aim to achieve **IRR in the mid-10% range**
- **Preparatory works such as surveys** underway toward production start in around 2030

■ Implementing CCS to reduce the risk of stranded oil & gas assets

- Conduct **3D seismic survey and drilling** in the GHG assessment permit to implement CCS
- Aim to contribute to the Darwin-based CCUS Hub proposed by the Northern Territory Government **having in view a potential to import CO₂ from Japan**
- Plan to **reduce 100% native CO₂** (CO₂ from reservoir) with CCS
- Potential plan to make it a **CCS hub**

■ Turning renewable energy business into a stable income source

- Reached **FID on Quorn Park solar power and battery project**, the first investment of its kind after the acquisition of shares in EGPA
- While continuing to be involved in the operations of the existing assets held by EGPA, **select and develop new assets with high profitability** with aim to further increase the power generation capacity

■ Capturing future growth opportunities in CCS & hydrogen etc.

- Aim to start operations **by around 2030** while gaining government support
 - Low-carbon ammonia project at the port of Houston, Texas
 - Tokyo Metropolitan Area CCS Project and Tohoku Region West Coast CCS Initiative etc.

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Improving capital efficiency

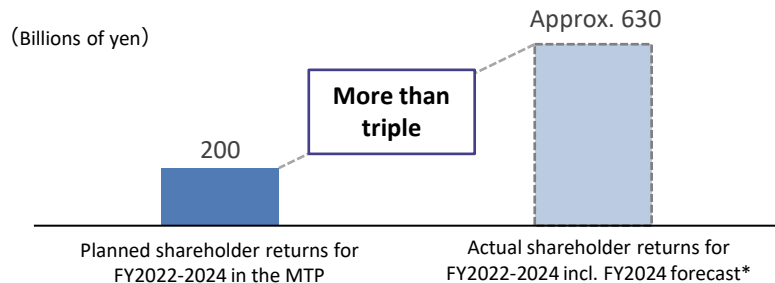
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■ Stronger shareholder returns

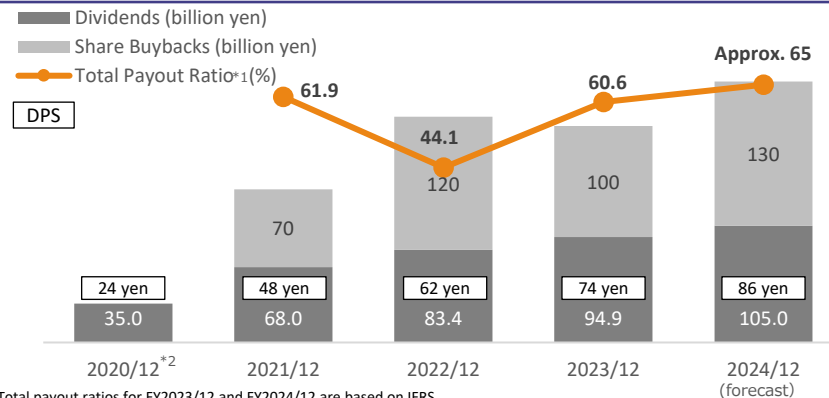
Shareholder returns for FY2022-2024



- Significantly enhancing shareholder returns beyond the initial plan in the Medium-term Business Plan (Rf. Page 25-26 for details on cash allocation).

* Actual shareholder returns for fiscal years 2022 and 2023, plus forecasted shareholder returns for fiscal year 2024.

Increasing shareholder returns



*1 Total payout ratios for FY2023/12 and FY2024/12 are based on IFRS.

*2 The total payout ratio for FY2020/12 is N/A due to net loss.

■ Deeper Dialogue with Institutional Investors

- Conducted Investor Day
- Enhanced engagement between investors and top management
- Actively participated in domestic and overseas conferences
- Resumed overseas road shows (held online during COVID)
- Conducted overseas facility tour

■ Enhanced IR for Individual Investors

- Actively held individual investor briefings (including online)
- Conducted domestic facility tours

	FY2023 Actual	FY2024 Previous forecast (May 14, 2024)	FY2024 Revised forecast (August 8, 2024)
DPS (Dividend per Share)	74 yen	76 yen	86 yen
Total Amount of Dividends	94.9 billion yen	Approx. 94.0 billion yen* ²	Approx. 105.0 billion yen* ²
Share Buybacks	100.0 billion yen	50.0 billion yen	130.0 billion yen (Including 80.0 billion yen announced today)
Total Amount of Shareholder Returns	194.9 billion yen	Approx. 144.0 billion yen	Approx. 235.0 billion yen
Total Payout Ratio (%)	60.6%* ¹	Approx. 40%	Approx. 65%

*¹ Based on IFRS. (52.5% based on JGAAP)

*² Forecasted total amount of dividends takes into account the number of shares to be acquired through buybacks.

- Based on the recognition of the discounted nature of recent share price, “Sustainable Growth of Corporate Value” initiative announced in August 2023, and in view of the steady FY2024 financial forecast, INPEX resolved an additional share buyback and a substantial increase in DPS forecast.
- Both the total amount of annual share buybacks and DPS are at the highest-ever.