

Date and time: March 28, 2025 (Friday); 10:00 AM
Place: The Okura Tokyo
Attendees: 436 shareholders
Summary of key Q&A:

Q1: The impact of investment to expand the LNG business upon the conclusion of the Russia-Ukraine war

A1: While there might be a temporary increase in LNG supplies due to the lifting of sanctions against Russia in the short term, a supply shortage is anticipated in the long run. The Company believes that investments aimed at expanding its LNG business hold substantial promise in adapting to the supply-demand dynamics.

Q2: Whether the Company policy will be revised in light of the direction to change the course of decarbonization policy in Europe and the United States

A2: The global decarbonization landscape is evolving, and the Company plans to revise its roadmap accordingly. However, moving forward, the Company is committed to promoting each of the low-carbon initiatives outlined in INPEX Vision 2035 as one of its significant projects.

Q3: Impact of rising interest rates on the Company financial results

A3: The Company has significantly reduced its interest-bearing debt over the past three years and has taken steps such as fixing interest rates. The Company recognizes that the impact of rising interest rates on its financial results is limited.

Q4: Revenue Growth Measures for the 5 Years to 2030

A4: The Company will pursue short-term measures such as acquisition of outstanding gas and LNG assets and the utilization of M&As and seek to increase revenue by increasing production at each project in Abu Dhabi.

Q5: Meaning of "Grow business scale by 60%" stated in INPEX Vision 2035

A5: This indicates the rate of increase in operating cash flow, based on certain assumptions such as oil prices.

Q6: Profit margin outlook for the Ichthys LNG project

A6: The Company is striving to sustain stable production and can preserve its current profit margin given the prevailing production conditions, volumes, oil prices, and exchange rates. However, there is a risk that policy changes in Australia may impose additional costs on the Company. To mitigate this, we are actively engaging in transparent dialogue with the Australian government.

Q7: Initiatives for stable operation of the Ichthys LNG Project

A7: Since commencing operations, the Company has gained substantial knowledge and experience dealing

with problems of various magnitudes, and the time required for recovery from these issues has progressively reduced. Furthermore, in an effort to preempt significant problems, the Company is scheduling maintenance work that will necessitate a complete shutdown of the facility in August of this year. This ensures facility safety as we persist in operating at a consistently high and stable level.

Q8: Outlook for ROE and ROIC during the Mid-term Business Plan period

A8: In FY 2024, ROE and ROIC exceeded the cost of equity and the WACC, respectively, but the Company will work on financial management with the aim of further improvement.

Q9: Measures to improve stock prices

A9: The Company recognizes that the intrinsic corporate value of the Company is not properly reflected in stock prices. The Company will continue to make efforts to increase stock prices by making integrated efforts to further improve capital efficiency by, for example, introducing ROIC as a business management indicator, gain confidence in future growth by investing in high-quality assets, and enhance shareholder returns by, for example, introducing progressive dividends.

Q10: Transfer of technology and knowledge to the next generation

A10: In terms of technology and knowledge, The Company has put in place a system to systematically accumulate experience and lessons learnt and has enormous data. In addition, the Company is implementing a method to extract knowledge using Artificial Intelligence while continuing the handover of tradition from person to person as before.

Q11: Efforts to secure technical personnel

A11: Efforts are being made to maintain and improve the quality and number of students majoring in resource-based studies by strengthening cooperation with universities by holding social cooperation programs and endowed courses.

Q12: Background of the decision to introduce progressive dividends in the Mid-term Business Plan

A12: The plan was adopted as a measure to contribute to the stable growth of the Company and the rise of its stock price after extensive discussions on various options and requests from institutional investors and individual shareholders for the realization of stable dividends. Furthermore, it shows the Company's determination and confidence to maintain dividends even if the external environment such as oil prices changes, to the extent that the stable operation of each project is maintained.

Q13: Impact of U.S. energy policy on the Company business

A13: In addition to the direct impact of increased production of crude oil and natural gas on supply and demand, the Company will closely monitor the global economic slowdown due to tariff hikes and the broader impact of changes in decarbonization policies on energy business to prepare for a variety of situations.

Q14: Human resource development policy

A14: To further enhance the Company's corporate value, human resources with strengths in site work capabilities, a spirit of challenge, and a global mindset are necessary. The Company will invest enough in human resource development, concurrently bolstering its outreach externally to secure human resources that meet these requirements.

Q15: Applicability of domestic geothermal business to hot spring development

A15: Japan, being the third largest in the world in terms of geothermal resource volume after the United States and Indonesia, and considering the substantial potential for geothermal development, as well as the synergy with the Company's drilling technology in geothermal operations, the Company aims to actively pursue this with understanding and cooperation from the local community. On the other hand, the Company is not currently considering conducting a hot spring development project.

Cautionary Statement

This document 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*

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