
Financial Results
for the six months ended September 30, 2010

INPEX CORPORATION

November 8, 2010

1. Corporate Overview

Representative Director, President
Toshiaki Kitamura

2. Financial Results for the six months ended September 30, 2010

Director, Managing Executive Officer
Head of Finance & Accounting Division
Masahiko Murayama

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.

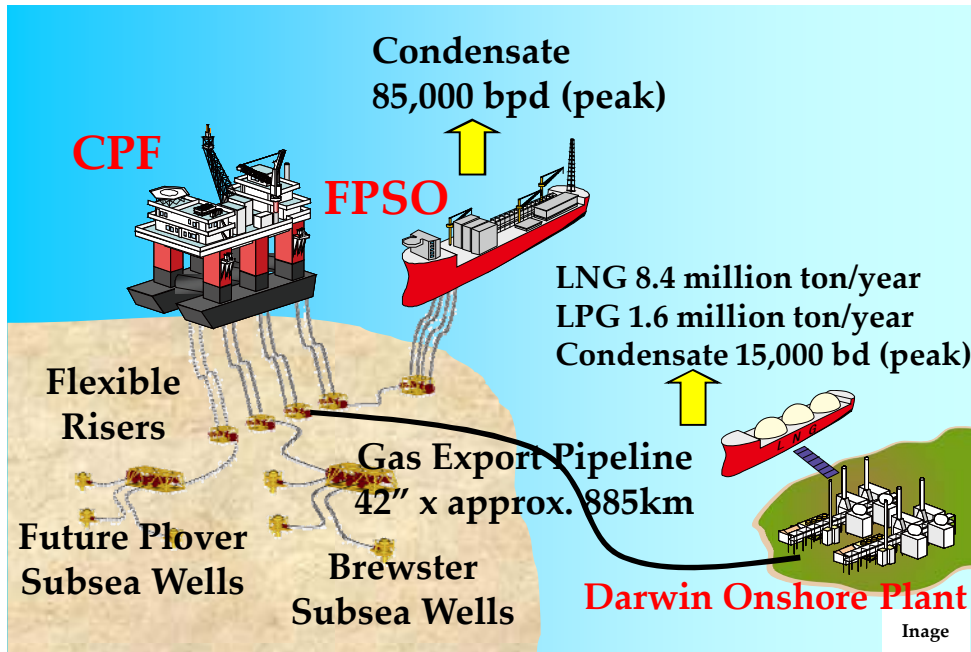
Corporate Overview

Toshiaki Kitamura
Representative Director, President

Corporate Highlights of Apr.-Sep. 2010 **INPEX**

- Net profit rose by 6.3% even in the business climate of the stronger yen. Higher oil prices contributing.
- Progress of the preparation for the development of Ichthys and Abadi LNG projects
- Progress in the upstream business : approval for the Kitan Oil Field development, production start-up at the Ravensworth Field, participation in the Sebuk Block and purchase of an additional interest in the ACG project. New exploration blocks acquired in Peru and DR Congo.
- Asset portfolio optimization : the Java/Sumatra assets sold
- Withdrawal from the Azadegan project
- Progress of our Gas Supply Chain (Naoetsu LNG Receiving Terminal and Shin Tokyo Line etc.)
- Finance strategy for further growth (Public offering etc.)

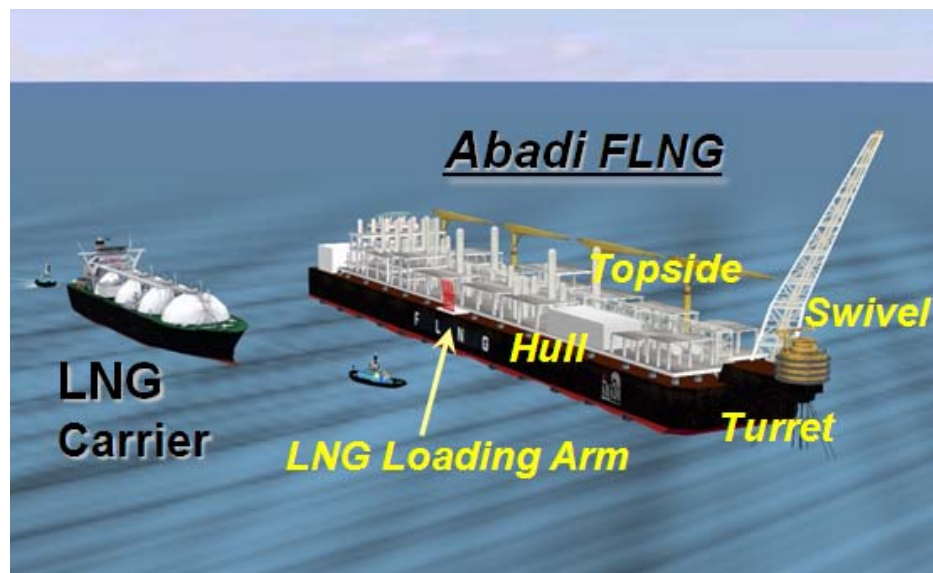
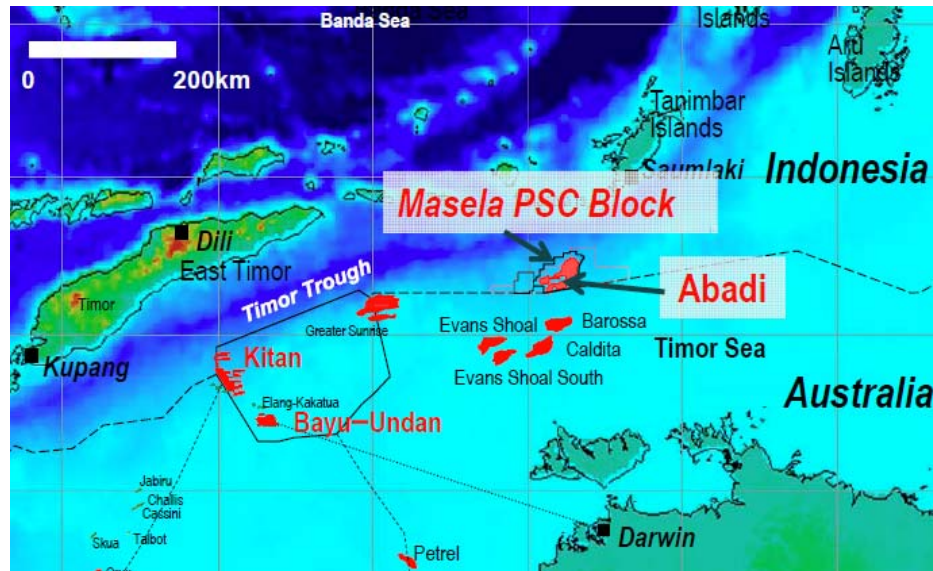
Ichthys Project



- Onshore (natural gas liquefaction plant) FEED works
 - Major engineering work completed
 - Preparation work for procurement phase in progress
- Offshore (Offshore facilities & pipeline) FEED works
 - Major engineering work in progress
 - ITT (Invitation To Tender) for the CPF issued in November 2010
- Application for production license
 - ✓ Submitted Preliminary Field Development Plan to the authority in March 2010
- Environmental Impact Assessment(EIA)
 - ✓ Conducted public review of draft EIS (July 15 – September 10)
 - ✓ Plan to issue supplement EIS report taking into account of the public review, to obtain approval from the government
- Gas Marketing Activities
 - ✓ Negotiation is ongoing for securing LNG purchase commitment
- Organization at Perth office in Australia
 - ✓ Strengthened organizational structures in October
 - ✓ Appointed a TOTAL expert as new project managing director

- Production volume (expected):
 - Approx. 8.4 MM t/a of LNG
 - Approx. 1.6 MM t/a of LPG
 - Approx. 100,000 bbl/d of condensate (Peak Rate)
- FID target: 4Q 2011
- Production start target: 4Q 2016

Abadi Project



- The Plan Of Development (POD) was approved in principle by the Indonesian Government
Development Concept : Floating LNG
- A third-party evaluation on the POD was conducted by the Indonesian Government
- Project way-forward is currently under discussion with the Indonesian Government
- AMDAL(Environmental & Social Impact Assessment Process) is ongoing
- Transfer of a 10% participating interest to an Indonesian company (PT EMP Energi Indonesia)*

*In November 2009, INPEX signed an agreement with PT EMP Energi Indonesia to transfer a 10% participating interest. The transaction is subject to certain conditions precedent.

Progress for the Gas Supply Chain



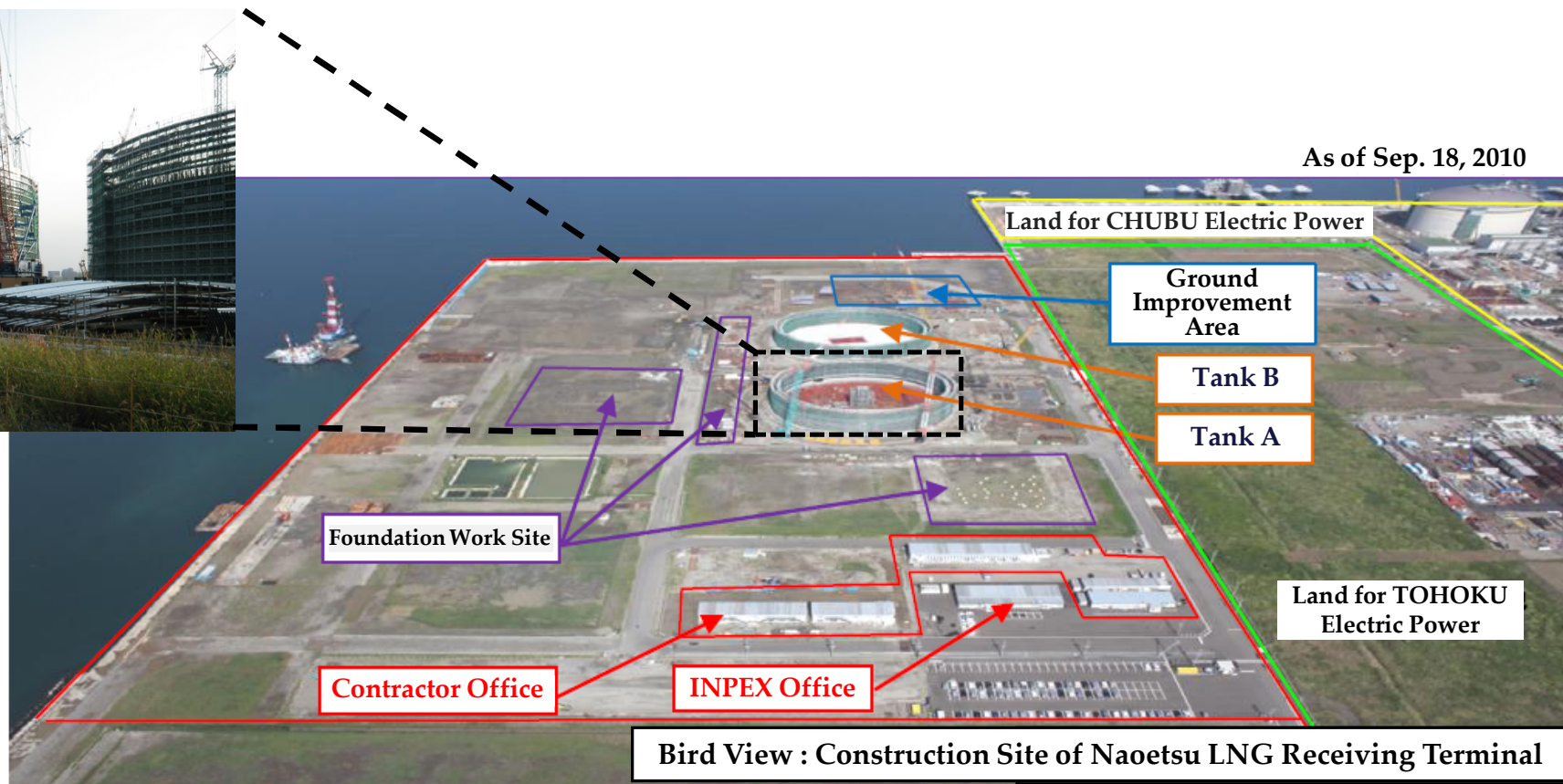
■ Current status of the Naoetsu LNG Receiving Terminal construction

- Construction work of LNG storage tanks is ongoing (the outer wall of LNG tanks as of the end of Oct. : Tank A 23m/40m, Tank B 13m/40m)
- Started piling for foundation work for LNG plant

- Extension of pipeline network
 - Extension of Shin Tokyo Line toward Tokyo
 - Feasibility Study on Toyama Line (Natural Gas Pipeline) commenced



As of Oct. 14, 2010



As of Sep. 18, 2010

Bird View : Construction Site of Naoetsu LNG Receiving Terminal

Investment Plan and Funding Sources



Approx. 4 trillion yen

For Ichthys, Abadi, Kashagan, other E&P projects etc.
from Fiscal 2010 to Fiscal 2016

Equity

- Proceeds from equity offering (approx. 520 billion yen)

CashFlow

- Operating cash flow (241.4 billion yen in the fiscal year 2009)
- Cash and other liquid investments on hand

Bank Loans

- Sizeable lending from JBIC* together with commercial banks
- Guarantee by JOGMEC** for a certain portion of loans from commercial banks
- Project finance

* JBIC : Japan Bank for International Cooperation

** JOGMEC : Japan Oil, Gas and Metals National Corporation

Financial Results for the six months ended
September 30, 2010

Masahiro Murayama

Director, Managing Executive Officer

Head of Finance & Accounting Division

Highlights of the Consolidated Financial Results for the six months ended September 30, 2010 **INPEX**

	Apr.-Sep. '09	Apr-Sep. '10	Change	%Change
Net Sales (Billions of yen)	392.6	432.9	40.3	10.3%
Crude Oil Sales	232.5	249.2	16.7	7.2%
Natural Gas Sales (including LPG)	148.0	170.6	22.5	15.3%
Others	11.9	13.0	1.0	8.9%
Operating Income (Billions of yen)	202.2	232.6	30.3	15.0%
Ordinary Income (Billions of yen)	193.3	220.1	26.8	13.9%
Net Income (Billions of yen)	47.6	50.6	2.9	6.3%
Net income per share (Yen)	20,244.57	18,584.05	(1,660.52)	(8.2%)

Average number of shares issued and outstanding during the six months ended September 30, 2010 (consolidated): 2,724,180

Crude Oil Sales



	Apr.-Sep. '09	Apr.-Sep. '10	Change	%Change
Net Sales (Billions of yen)	232.5	249.2	16.7	7.2%
Sales volume (Mbbbl)	38,891	36,496	(2,395)	(6.2%)
Average unit price of overseas production (\$/bbl)	61.99	75.70	13.71	22.1%
Average unit price of domestic production (¥/kl)	37,168	47,156	9,988	26.9%
Average exchange rate (¥/\$)	95.48	89.39	6.09 Yen appreciation	6.4% Yen appreciation
Sales volume by region (Mbbbl)	Apr.-Sep. '09	Apr.-Sep. '10	Change	%Change
Japan	110 (17 thousand kl)	73 (12 thousand kl)	(37) (-6 thousand kl)	(33.9%)
Asia/Oceania	7,987	9,362	1,376	17.2%
Eurasia (Europe/NIS)	6,306	2,979	(3,326)	(52.8%)
Middle East/Africa	23,374	23,336	(39)	(0.2%)
Americas	1,114	745	(369)	(33.1%)
Total	38,891	36,496	(2,395)	(6.2%)

Natural Gas Sales (excluding LPG)



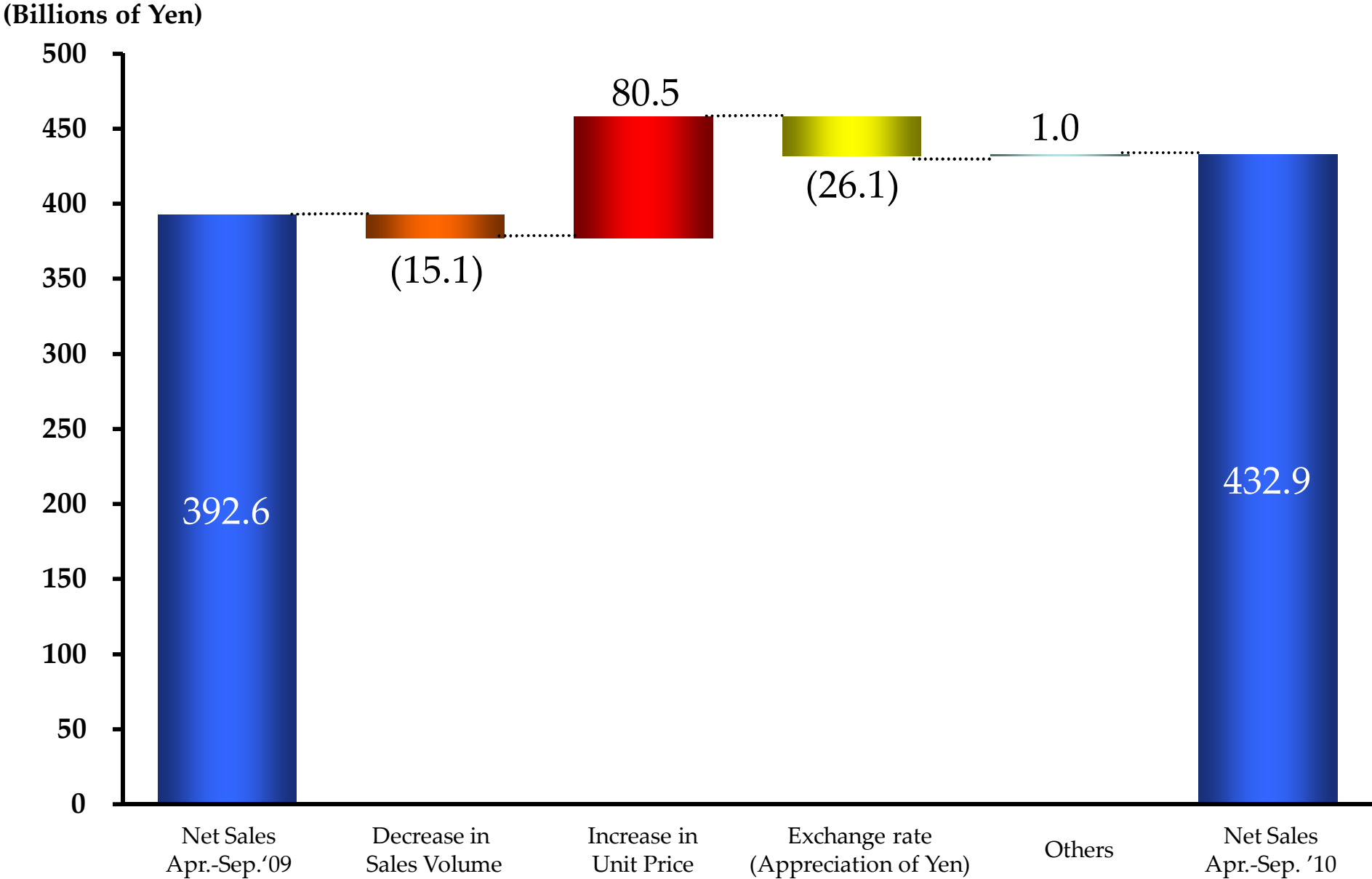
	Apr.-Sep. '09	Apr.-Sep. '10	Change	%Change
Net Sales (Billions of yen)	143.1	160.3	17.2	12.0%
Sales volume (MMcf)	205,766	199,442	(6,324)	(3.1%)
Average unit price of overseas production (\$/Mcf)	6.91	8.39	1.48	21.4%
Average unit price of production (¥/ m ³)	35.54	42.80	7.26	20.4%
Average exchange rate (¥/\$)	95.18	89.15	6.03 Yen appreciation	6.3% Yen appreciation
Sales volume by region (MMcf)	Apr.-Sep. '09	Apr.-Sep. '10	Change	%Change
Japan	26,291 (704 million m ³)	27,901 (748 million m ³)*	1,609 (43 million m ³)	6.1%
	Purchased Volume : 31 million m ³	Purchased Volume : 226 million m ³	195 million m ³	626.1%
Asia/Oceania	164,392	155,675	(8,717)	(5.3%)
Eurasia (Europe/NIS)	-	-	-	-
Middle East/Africa	-	-	-	-
Americas	15,082	15,866	784	5.2%
Total	205,766	199,442	(6,324)	(3.1%)

(FYI) LPG Sales

* 43.12MJ / 1m³

	Apr.-Sep. '09	Apr.-Sep. '10	Change	%Change
Net Sales (Billions of yen)	4.9	10.2	5.3	108.7%

Analysis of Net Sales Increase



Statements of Income



(Billions of Yen)	Apr.-Sep. '09	Apr.-Sep. '10	Change	%Change
Net Sales	392.6	432.9	40.3	10.3%
Cost of Sales	148.5	162.0	13.4	9.1%
Exploration expenses	8.0	6.4	(1.6)	(20.2%)
Selling, general and administrative expenses	33.6	31.8	(1.7)	(5.3%)
Operating Income	202.2	232.6	30.3	15.0%
Other income	7.2	10.4	3.2	45.1%
Other expenses	16.2	22.9	6.7	41.8%
Ordinary Income	193.3	220.1	26.8	13.9%
Income taxes-current	140.5	160.0	19.4	13.8%
Income taxes-deferred	2.3	6.9	4.6	198.8%
Minority interests	2.7	2.4	(0.2)	(9.2%)
Net Income	47.6	50.6	2.9	6.3%

Crude Oil sales :	249.2
(Change)	+16.7
Natural Gas sales* :	170.6
(Change)	+22.5

Cost of sales for Crude Oil :	92.7
(Change)	(0.4)
Cost of sales for Natural Gas* :	59.4
(Change)	+12.2

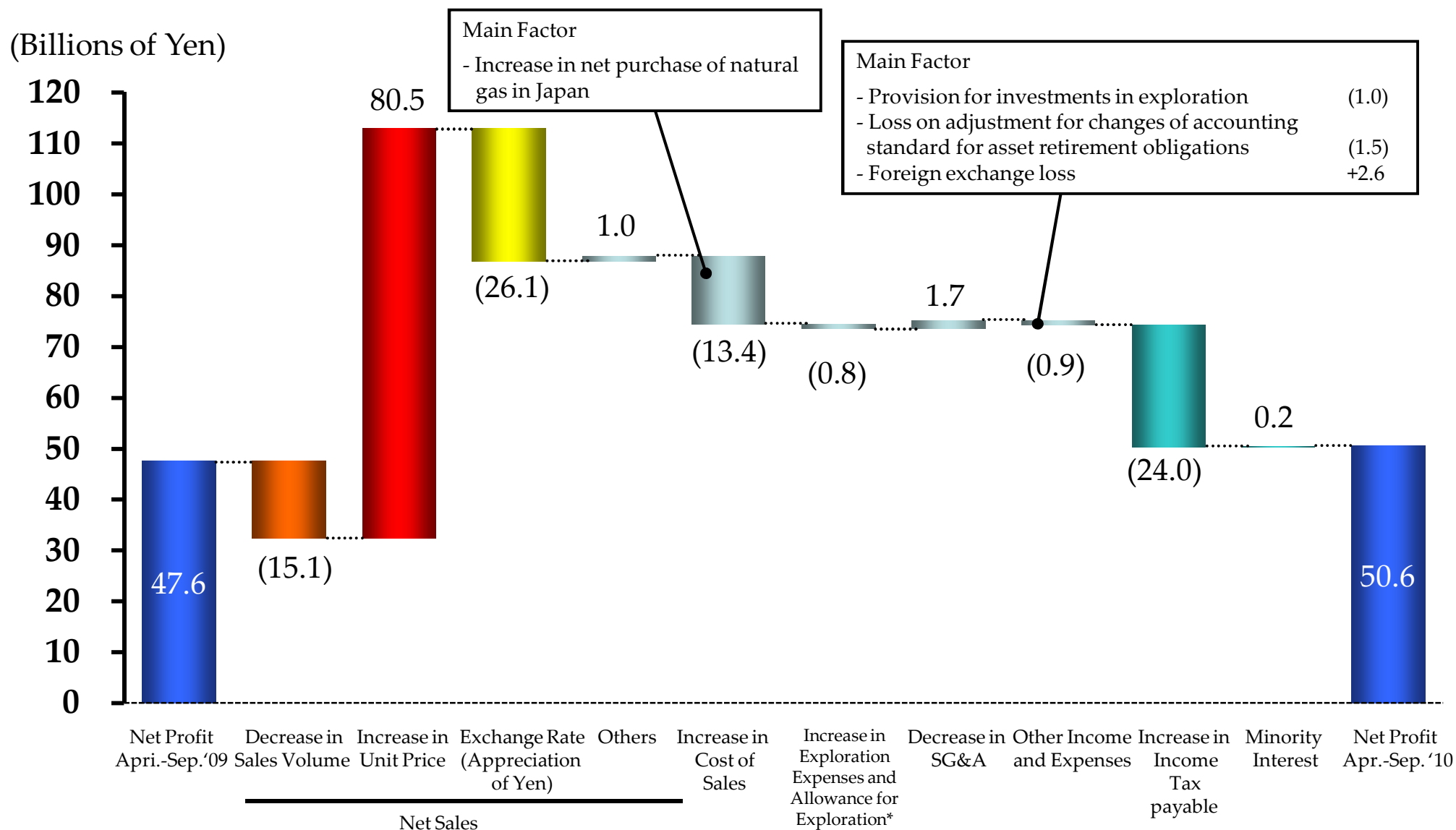
* Including LPG

Other Income/Expenses



(Billions of Yen)	Apr.- Sep. '09	Apr.- Sep. '10	Change	%Change
Other income	7.2	10.4	3.2	45.1%
Interest income	2.3	2.0	(0.3)	(13.4%)
Dividend income	2.2	2.2	0.0	0.9%
Equity in earnings of affiliates	-	0.3	0.3	-
Other	2.6	5.9	3.2	119.9%
Other expenses	16.2	22.9	6.7	41.8%
Interest expense	0.5	0.5	(0.0)	(0.8%)
Equity in losses of affiliates	0.9	-	(0.9)	(100.0%)
Provision for allowance for recoverable accounts under production sharing	2.6	7.5	4.8	182.7%
Provision for exploration projects	4.3	2.0	(2.3)	(53.5%)
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	1.5	1.5	-
Foreign exchange loss	4.5	1.8	(2.6)	(58.6%)
Other	3.2	9.5	6.2	195.1%

Analysis of Net Profit Increase



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

Balance Sheets



(Billions of yen)	Mar.'10	Sep. '10	Change	%Change	
Current assets	492.8	979.5	486.6	98.7%	
Tangible fixed assets	358.0	369.7	11.6	3.3%	Due to purchase of securities
Intangible assets	239.2	256.7	17.5	7.3%	
Recoverable accounts under production sharing	514.6	531.2	16.6	3.2%	
Other	503.8	498.6	(5.2)	(1.0%)	
Less allowance for recoverable accounts under production sharing	(94.8)	(106.4)	(11.5)	12.2%	
Total assets	2,013.7	2,529.4	515.6	25.6%	
Current liabilities	227.9	213.9	(13.9)	(6.1%)	
Long-term liabilities	295.2	293.3	(1.9)	(0.7%)	
Total net assets	1,490.6	2,022.0	531.4	35.7%	
(Minority interests)	103.1	90.3	(12.7)	(12.4%)	Due to an increase in capital and capital surplus made by public offering
Total liabilities and net assets	2,013.7	2,529.4	515.6	25.6%	
Net assets per share (Yen)	589,549	529,124	(60,425)	(10.2%)	

Statements of Cash Flows



(Billions of Yen)	Apr.-Sep. '09	Apr.-Sep. '10	Change	%Change
Income before income taxes and minority interests	193.3	220.1	26.8	13.9%
Depreciation and amortization	19.9	28.0	8.1	41.0%
Recovery of recoverable accounts under production sharing (capital expenditures)	25.0	23.9	(1.1)	(4.6%)
Recoverable accounts under production sharing (operating expenditures)	(8.3)	(2.2)	6.0	(72.6%)
Income taxes paid	(139.3)	(179.1)	(39.7)	28.5%
Other	18.0	36.0	17.9	99.3%
Net cash provided by operating activities	108.6	126.7	18.1	16.7%
Purchase of tangible fixed assets	(50.3)	(42.2)	8.0	(16.1%)
Purchases of marketable securities/investment securities and proceed from sales of marketable securities/investment securities (Net)	16.7	(36.6)	(53.4)	(318.9%)
Payments for purchase of mining rights	-	(28.0)	(28.0)	-
Investment in recoverable accounts under production sharing (capital expenditures)	(49.1)	(39.8)	9.3	(19.0%)
Other	(8.4)	(1.2)	7.1	(85.3%)
Net cash used in investing activities	(91.1)	(148.0)	(56.8)	62.4%
Net cash provided by financing activities	22.5	523.4	500.8	-
Cash and cash equivalents at end of the period	196.5	707.0	510.5	259.8%

Differences between Consolidated Financial Forecasts and Actual Results for the six months ended September 30, 2010 **INPEX**

- Assumptions

(May 12, 2010)	1 st half (Previous Forecasts)
Crude oil price (Brent) (US\$/bbl)	77.5
Exchange rate (yen/US\$)	90.0

↓

(Nov. 4, 2010)	1 st half (Actual Results)
Crude oil price (Brent) (US\$/bbl)	78.2
Exchange rate (yen/US\$)	89.0

- Differences between Consolidated Financial Forecasts and Actual Results for the six months ended September 30, 2010

	Previous Forecasts (May 12, 2010)	Actual Results	Change	% Change
Net Sales (billions of yen)	428.0	432.9	4.9	1.1%
Operating income (billions of yen)	219.0	232.6	13.6	6.2%
Ordinary income (billions of yen)	213.0	220.1	7.1	3.3%
Net income (billions of yen)	48.0	50.6	2.6	5.4%

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



- Assumptions

(May 12, 2010)	1 st half	2 nd half	Full year
Crude oil price (Brent) (US\$/bbl)	77.5	77.5	77.5
Exchange rate (yen/US\$)	90.0	90.0	90.0



(Nov. 4, 2010)	1 st half	2 nd 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

- Financial Forecasts for the year ending March 31, 2011

	Previous forecasts (May 12, 2010)	Revised forecasts (Nov. 4, 2010)	Change	% Change
Net Sales (billions of yen)	863.0	835.0	(28.0)	(3.2%)
Operating income (billions of yen)	451.0	438.0	(13.0)	(2.9%)
Ordinary income (billions of yen)	433.0	420.0	(13.0)	(3.0%)
Net income (billions of yen)	102.0	102.0	-	-

- 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