

Consolidated Financial Results for the year ended March 31, 2017 [Japanese GAAP]

May 12, 2017

Note: The following report is an English translation of the Japanese-language original.

Company name : **INPEX CORPORATION** Stock Exchange on which the Company is listed : Tokyo Stock Exchange
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Scheduled date of ordinary general meeting of shareholders : June 27, 2017

Scheduled date of filing Financial Report : June 28, 2017

Scheduled date of payment of cash dividends : June 28, 2017

Preparation of supplementary explanatory materials : Yes

Meeting of financial results presentation : Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded off)

1. Consolidated Financial Results for the year ended March 31, 2017 (April 1, 2016 - March 31, 2017)
(1) Consolidated operating results

(Figures in % represent the changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the year ended								
March 31, 2017	874,423	(13.4)	336,452	(13.8)	333,891	(10.9)	46,168	175.2
March 31, 2016	1,009,564	(13.8)	390,139	(27.1)	374,771	(34.8)	16,777	(78.4)

(Note): Consolidated comprehensive income: for the year ended March 31, 2017, ¥43,905 million; (—%)
 for the year ended March 31, 2016, ¥(166,368) million; (—%)

	Net income per share—basic	Net income per share—diluted	Net income as a percentage of net assets excluding non-controlling interests	Ordinary income as a percentage of total assets	Operating income as a percentage of net sales
For the year ended	Yen	Yen	%	%	%
March 31, 2017	31.61	—	1.6	7.7	38.5
March 31, 2016	11.49	—	0.6	8.5	38.6

(Reference): Net assets excluding non-controlling interests: for the year ended March 31, 2017, ¥ 2,175 million
 for the year ended March 31, 2016, ¥ (20,696) million

(2) Consolidated financial position

	Total assets	Net assets	Net assets excluding non-controlling interests as a percentage of total assets	Net assets excluding non-controlling interests per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2017	4,312,174	3,207,542	68.3	2,015.38
As of March 31, 2016	4,369,841	3,178,803	67.1	2,008.34

(Reference): Net assets excluding non-controlling interests: as of March 31, 2017, ¥ 2,943,169 million
 as of March 31, 2016, ¥ 2,932,892 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
For the year ended				
March 31, 2017	275,810	53,483	(65,428)	316,790
March 31, 2016	183,707	(543,534)	156,726	53,813

2. Dividends

	Cash dividends per share					Total cash dividends (Annual)	Payout ratio (Consolidated)	Cash dividends as a percentage of net assets (Consolidated)
	At 1st quarter end	At 2nd quarter end	At 3rd quarter end	At fiscal year end	Total			
For the year ended March 31, 2016	Yen —	Yen 9.00	Yen —	Yen 9.00	Yen 18.00	Millions of yen 26,286	% 156.7	% 0.9
For the year ended March 31, 2017	—	9.00	—	9.00	18.00	26,286	56.9	0.9
For the year ending March 31, 2018 (forecast)	—	9.00	—	9.00	18.00		55.9	

(Note): Above information of "Dividends" is regarding common stock. For information regarding Class A stock (which is not listed), please refer to Exhibit "Dividends of Class A stock".

3. Forecasted Consolidated Operating Results for the year ending March 31, 2018 (April 1, 2017 - March 31, 2018)

(Figures in % represent the changes from the corresponding period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
For the six months ending September 30, 2017	431,000	10.6	155,000	12.3	167,000	26.3	24,000	52.6	16.43
For the year ending March 31, 2018	844,000	(3.5)	303,000	(9.9)	329,000	(1.5)	47,000	1.8	32.18

*Notes

(1) Significant changes in scope of consolidation : None
(Changes in the specified subsidiaries during the period due to change in scope of consolidation)

(2) Changes in accounting policies, accounting estimates and restatement of corrections
 1. Changes in accounting policies resulting from the revision of the accounting standards and other regulations : None
 2. Other changes in accounting policies : None
 3. Changes in accounting estimates : Yes
 4. Restatement of corrections : None

(3) Number of shares issued (Common stock)
 1. Number of shares issued at the end of the period (including treasury stock): 1,462,323,600 shares as of March 31, 2017
 1,462,323,600 shares as of March 31, 2016
 2. Number of treasury stock at the end of the period: 1,966,500 shares as of March 31, 2017
 1,966,400 shares as of March 31, 2016
 3. Average number of shares: 1,460,357,146 shares for the year ended March 31, 2017
 1,460,357,200 shares for the year ended March 31, 2016

(Reference) Non-Consolidated Financial Results

1. Financial results for the year ended March 31, 2017 (April 1, 2016 - March 31, 2017)

(1) Operating results

(Figures in % represent the changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the year ended March 31, 2017	258,160	(20.6)	64,792	(24.1)	122,317	118.0	88,920	949.4
March 31, 2016	324,969	(22.2)	85,394	(38.9)	56,102	(77.3)	8,473	(94.3)

	Net income per share—basic	Net income per share—diluted
For the year ended March 31, 2017	Yen 60.89	Yen —
March 31, 2016	5.80	—

(2) Financial position

	Total assets	Net assets	Net assets as a percentage of total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2017	3,137,704	2,404,076	76.6	1,646.22
As of March 31, 2016	3,328,919	2,339,920	70.3	1,602.29

(Reference): Net assets: as of March 31, 2017, ¥ 2,404,076 million
as of March 31, 2016, ¥ 2,339,920 million

*Indication of audit procedure implementation status

This financial report is not subject to the audit procedure.

*Explanation regarding the appropriate use of estimated consolidated financial results

The aforementioned forecasts "3. Forecasted Consolidated Operating Results for the year ending March 31, 2018" are based on the currently available information and contain many uncertainties. The final results might be significantly different from the aforementioned forecasts due to changes in business conditions including oil and natural gas price levels, production and sales plans, project development schedules, government regulations and financial and tax schemes. Please refer to "1. (4) Outlook for the Next Period" on page 4.

Exhibit:

Dividends of Class A stock

	Cash dividends per share				
	At 1st quarter end	At 2nd quarter end	At 3rd quarter end	At fiscal year end	Total
For the year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2016	—	3,600.00	—	3,600.00	7,200.00
March 31, 2017	—	3,600.00	—	3,600.00	7,200.00
For the year ending					
March 31, 2018 (forecast)	—	3,600.00	—	3,600.00	7,200.00

(Note): The Company conducted a stock split at a ratio of 1:400 of common stock with October 1, 2013 as the effective date, however, for Class A stock (which is not listed), no stock split was implemented. The article, which shows that dividends of Class A stock are equivalent to dividends of a common stock prior to the stock split, is specified in the Articles of Incorporation.

2) Orders received

Disclosure on this information is omitted because the amount of orders received is accounted for a minor portion of total sales.

3) Actual sales

The following table shows sales by segment:

(Millions of yen)

Segment	Category	For the year ended March 31, 2016		For the year ended March 31, 2017	
		Sales volume	Net sales	Sales volume	Net sales
Japan	Crude oil	741 Mbbls	4,505	900 Mbbls	5,148
	Natural gas (excluding LPG)	65,304 MMcf	91,492	71,295 MMcf	82,829
	LPG	7 Mbbls	41	5 Mbbls	27
	Other		13,561		14,653
	Subtotal		109,601		102,659
Asia & Oceania	Crude oil	13,505 Mbbls	82,069	12,246 Mbbls	61,260
	Natural gas (excluding LPG)	238,759 MMcf	210,288	230,183 MMcf	150,084
	LPG	2,354 Mbbls	10,514	1,855 Mbbls	6,753
	Subtotal		302,871		218,099
Eurasia (Europe & NIS)	Crude oil	11,666 Mbbls	66,851	11,336 Mbbls	59,915
	Natural gas (excluding LPG)	—	—	1,947 MMcf	275
	Subtotal		66,851		60,191
Middle East & Africa	Crude oil	89,486 Mbbls	516,513	95,495 Mbbls	482,182
Americas	Crude oil	1,829 Mbbls	9,301	2,230 Mbbls	8,686
	Natural gas (excluding LPG)	33,153 MMcf	4,425	39,569 MMcf	2,603
	Subtotal		13,726		11,290
Total	Crude oil	117,227 Mbbls	679,241	122,207 Mbbls	617,194
	Natural gas (excluding LPG)	337,216 MMcf	306,205	342,994 MMcf	235,793
	LPG	2,361 Mbbls	10,555	1,860 Mbbls	6,781
	Other		13,561		14,653
	Total		1,009,564		874,423

Note: 1. The above amounts do not include the related consumption tax.

2. The Company's subsidiaries of which closing date for fiscal year is December 31 are principally consolidated their operating results for the year ended December 31 except those subsidiaries prepared their financial statements for consolidation purpose as of the consolidation closing date. However, the significant effects of the difference in fiscal periods were properly adjusted in consolidation.

3. Sales volumes are rounded to the nearest whole number.