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Financial Results  
for the nine months ended December 31, 2013

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INPEX CORPORATION

February 7, 2014

# 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.

# Subsidiaries and Affiliates



## 65 consolidated subsidiaries

Major subsidiaries	Country/region	Ownership	Stage	Accounting term
Japan Oil Development	UAE	100%	Production	March (provisional settlement of account)
INPEX Natuna	Indonesia	100%	Production	March
INPEX Sahul	Timor Sea Joint Petroleum Development Area	100%	Production	December
INPEX Ichthys Pty Ltd	Australia	100%	Development	March (provisional settlement of account)
INPEX Southwest Caspian Sea	Azerbaijan	51%	Production	March (provisional settlement of account)
INPEX North Caspian Sea	Kazakhstan	45%	Production suspended	March (provisional settlement of account)
INPEX Oil & Gas Australia Pty Ltd	Australia	100%	Development	December
INPEX Gas British Columbia Ltd.	Canada	45.09%	Production/ Evaluation	December

## 19 equity method affiliates

Major affiliates	Country/region	Ownership	Stage	Accounting term
MI Berau B.V.	Indonesia	44%	Production	December
Angola Block 14 B.V.	Angola	49.99%	Production/ Development	December
INPEX Offshore North Campos	Brazil	37.5%	Production	December
Ichthys LNG Pty Ltd	Australia	66.07%	Development	March (provisional settlement of account)

# Highlights of the Consolidated Financial Results for the nine months ended December 31, 2013



	Apr.-Dec. '12	Apr.-Dec. '13	Change	%Change
Net Sales (Billions of yen)	888.3	996.9	108.5	12.2%
Crude Oil Sales	577.1	649.9	72.8	12.6%
Natural Gas Sales (including LPG)	287.7	332.3	44.6	15.5%
Others	23.4	14.5	(8.8)	(38.0%)
Operating Income (Billions of yen)	512.5	547.2	34.7	6.8%
Ordinary Income (Billions of yen)	517.1	543.7	26.6	5.1%
Net Income (Billions of yen)	137.2	107.0	(30.2)	(22.0%)
Net income per share (Yen)*	94.02	73.32	(20.7)	(22.0%)

Average number of shares issued and outstanding during the nine months ended December 31, 2013(consolidated): 1,460,357,200

Average crude oil price (Brent) (\$/bbl)	109.49	107.47	(2.02)	(1.8%)
Average exchange rate (¥/\$)	79.96	99.37	19.41 Yen depreciation	24.3% Yen depreciation

\*The company conducted a stock split at a ratio of 1:400 of common stock on October 1, 2013.

Net income per share is calculated based on the assumption that the stock split was conducted on April 1, 2012.

# Crude Oil Sales



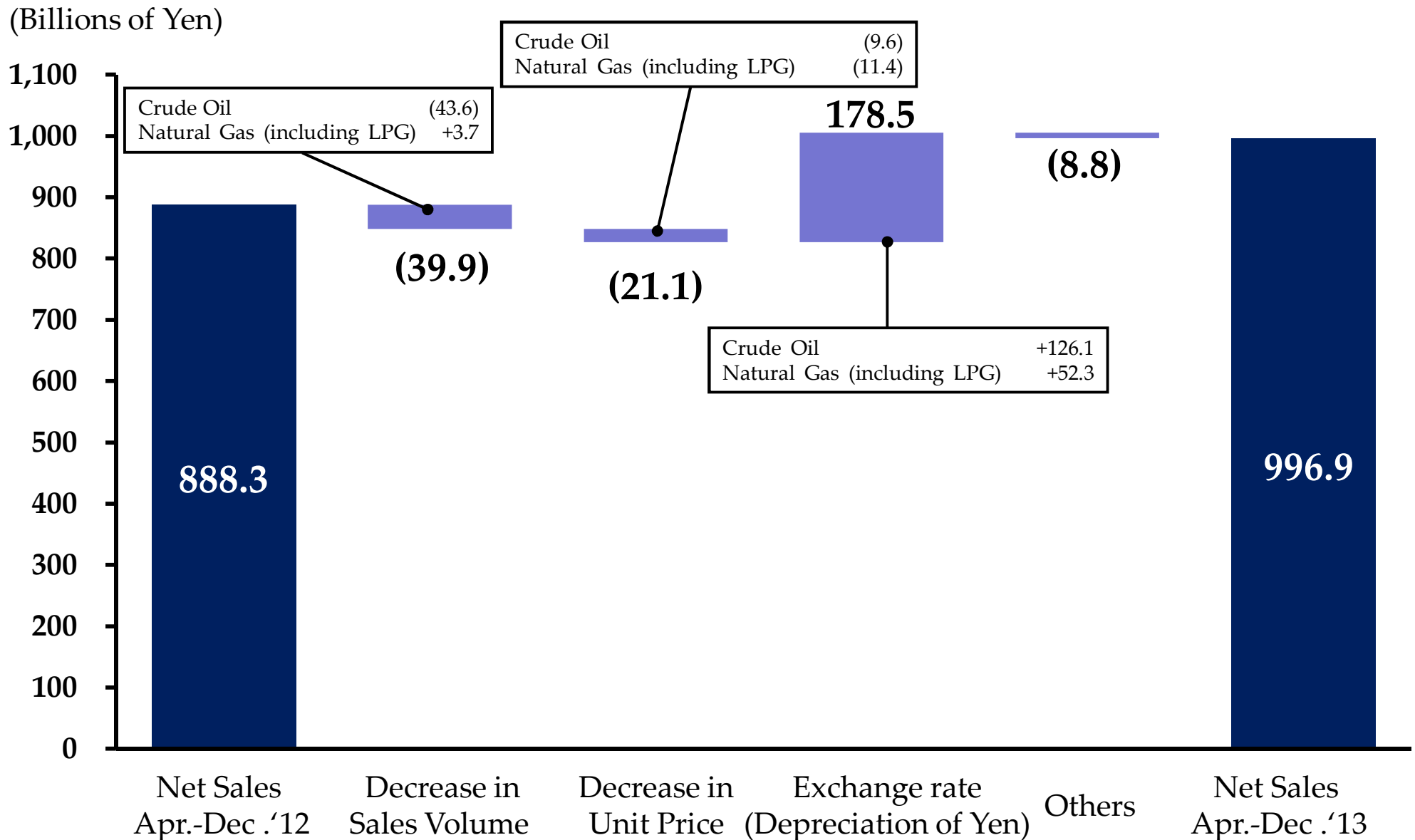
	Apr.-Dec. '12	Apr.-Dec. '13	Change	%Change
Net Sales (Billions of yen)	577.1	649.9	72.8	12.6%
Sales volume (Mbbbl)	65,388	60,389	(4,999)	(7.6%)
Average unit price of overseas production (\$/bbl)	109.75	107.76	(1.99)	(1.8%)
Average unit price of domestic production (¥/kl)	58,112	67,304	9,192	15.8%
Average exchange rate (¥/\$)	80.01	99.52	19.51 yen depreciation	24.4% yen depreciation
Sales volume by region (Mbbbl)	Apr.-Dec. '12	Apr.-Dec. '13	Change	%Change
Japan	86 (14 thousand kl)	572 (91 thousand kl)	486 (+77 thousand kl)	-
Asia/Oceania	15,385	9,122	(6,263)	(40.7%)
Eurasia (Europe/NIS )	6,688	6,867	179	2.7%
Middle East/Africa	43,185	43,794	609	1.4%
Americas	44	33	(11)	(24.7%)
Total	65,388	60,389	(4,999)	(7.6%)

# Natural Gas Sales (excluding LPG)



	Apr.-Dec. '12	Apr.-Dec. '13	Change	%Change
Net Sales (Billions of yen)	267.6	315.3	47.7	17.8%
Sales volume (MMcf)	233,295	241,776	8,482	3.6%
Average unit price of overseas production (\$/Mcf)	13.60	13.05	(0.55)	(4.0%)
Average unit price of domestic sales (¥/ m <sup>3</sup> )	46.92	50.07	3.15	6.7%
Average exchange rate (¥/\$)	79.98	99.26	19.28 yen depreciation	24.1% yen depreciation
Sales volume by region (MMcf)	Apr.-Dec. '12	Apr.-Dec. '13	Change	%Change
Japan	45,722 (1,225 million m <sup>3</sup> *)	46,414 (1,244 million m <sup>3</sup> *)	692 (+19 million m <sup>3</sup> *)	1.5%
	Purchased Volume 387 million m <sup>3</sup> *	Purchased Volume 388 million m <sup>3</sup> *	2 million m <sup>3</sup> *	0.4%
Asia/Oceania	168,637	166,125	(2,512)	(1.5%)
Eurasia (Europe/NIS )	-	-	-	-
Middle East/Africa	-	-	-	-
Americas	18,936	29,238	10,302	54.4%
Total	233,295	241,776	8,482	3.6%

# Analysis of Net Sales Increase



# Statement of Income



(Billions of Yen)	Apr.-Dec. '12	Apr.-Dec. '13	Change	%Change	
Net Sales	888.3	996.9	108.5	12.2%	Crude Oil sales : 649.9 (Change) +72.8 Natural Gas sales* : 332.3 (Change) +44.6
Cost of Sales	312.2	366.2	53.9	17.3%	Cost of sales for Crude Oil : 219.3 (Change) +33.0 Cost of sales for Natural Gas* : 136.7 (Change) +27.0
Exploration expenses	8.3	21.7	13.4	161.6%	
Selling, general and administrative expenses	55.1	61.6	6.4	11.7%	
Operating Income	512.5	547.2	34.7	6.8%	
Other income	41.4	26.0	(15.3)	(37.0%)	Main Factors for change; Interest income +8.1 Gain on transfer of mining rights (21.6)
Other expenses	36.8	29.6	(7.2)	(19.6%)	
Ordinary Income	517.1	543.7	26.6	5.1%	
Income taxes	377.0	435.7	58.6	15.6%	
Minority interests	2.7	0.9	(1.8)	(66.3%)	Main Factors for change; Foreign exchange loss (6.1)
Net Income	137.2	107.0	(30.2)	(22.0%)	

\* Including LPG



# Other Income/Expenses

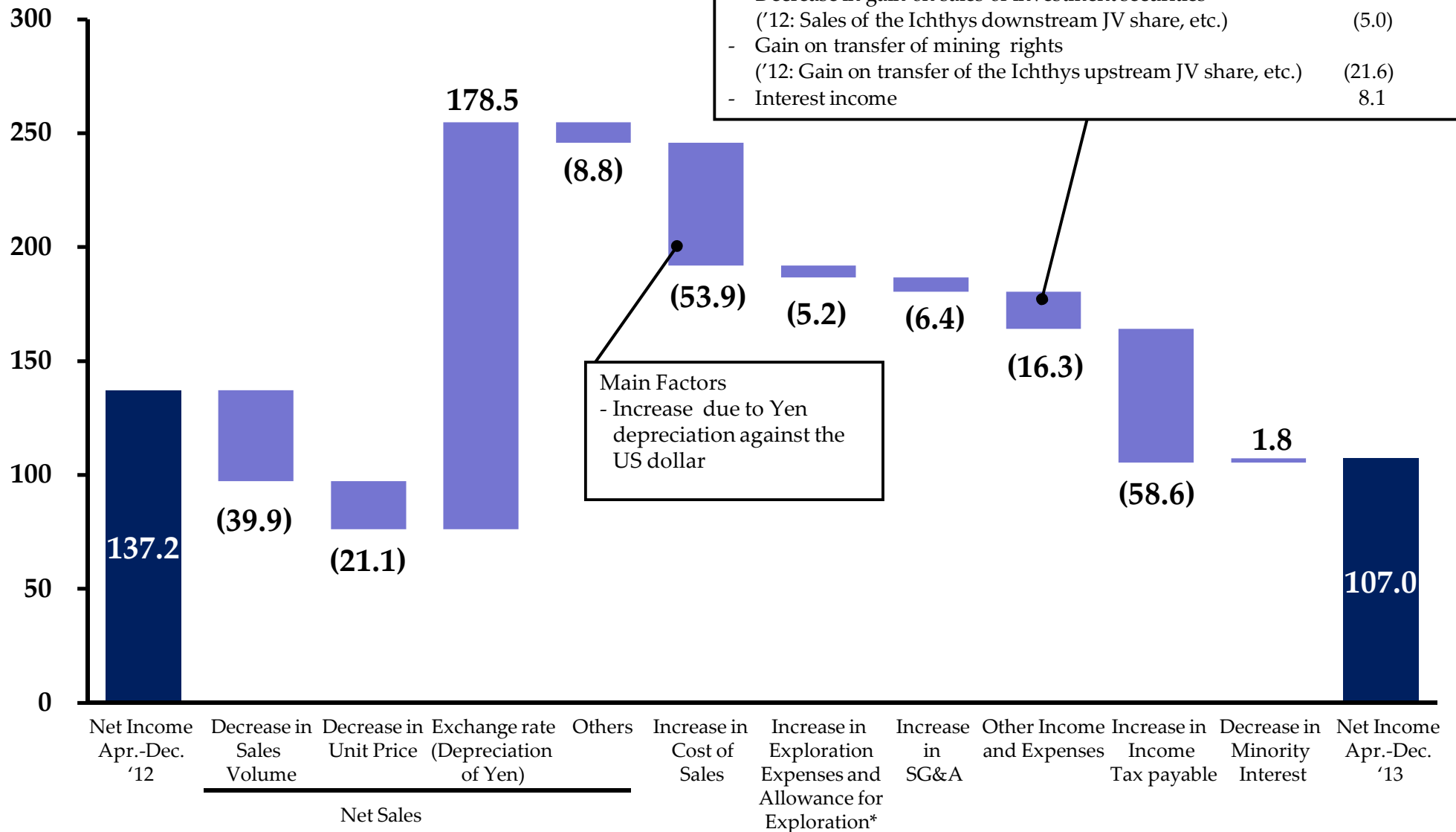


(Billions of Yen)	Apr.-Dec. '12	Apr.-Dec. '13	Change	%Change
Other income	41.4	26.0	(15.3)	(37.0%)
Interest income	5.0	13.2	8.1	159.6%
Dividend income	2.7	3.2	0.4	17.8%
Equity in earnings of affiliates	1.6	-	(1.6)	(100.0%)
Other	31.9	9.6	(22.3)	(69.9%)
Other expenses	36.8	29.6	(7.2)	(19.6%)
Interest expense	1.0	1.7	0.6	67.8%
Equity in losses of affiliates	-	1.9	1.9	-
Provision for allowance for recoverable accounts under production sharing	9.0	4.6	(4.4)	(48.5%)
Provision for exploration projects	4.6	0.8	(3.8)	(82.2%)
Foreign exchange loss	17.7	11.5	(6.1)	(34.8%)
Other	4.3	8.9	4.5	106.7%

# Analysis of Net Income Decrease



(Billions of Yen)



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

# Revised Financial Forecasts for the year ending March 31, 2014



## - Assumptions

(November 7, 2013)	1 <sup>st</sup> half	2 <sup>nd</sup> half	Full year
Crude oil price (Brent) (US\$/bbl)	106.5	100.0	103.3
Exchange rate (yen/US\$)	98.9	95.0	96.9

(February 7, 2014)	1 <sup>st</sup> half	2 <sup>nd</sup> half	Full year
Crude oil price (Brent) (US\$/bbl)	106.5	104.7*1	105.6
Exchange rate (yen/US\$)	98.9	102.7*2	100.8

\*1 3rd quarter (Actual) : US\$ 109.4/bbl, 4th quarter (Forecast) : US\$100.0/bbl

\*2 3rd quarter (Actual) : ¥100.4/US\$1, 4th quarter (Forecast) : ¥105.0/US\$

## - Financial Forecasts for the year ending March 31, 2014

	Previous forecasts (November 7, 2013)	Revised forecasts (February 7, 2014)	Change	% Change
Net Sales (billions of yen)	1,268.0	1,317.0	49.0	3.9%
Operating income (billions of yen)	651.0	707.0	56.0	8.6%
Ordinary income (billions of yen)	671.0	720.0	49.0	7.3%
Net income (billions of yen)	153.0	160.0	7.0	4.6%

## - Dividend per share

	End of 2Q	End of fiscal year (forecast)
Year ending March 31, 2014 (yen)	3,600	9 *3

\*3 The year-end dividends for the fiscal year ending March 31, 2014 is provided after taking into consideration the effect of the stock split taking place at a ratio of 1:400 as to a common stock with October 1, 2013 as the effective date.

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# Appendix

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# LPG Sales



	Apr.-Dec. '12	Apr.-Dec. '13	Change	%Change
Net Sales (Billions of yen)	20.1	17.0	(3.1)	(15.4%)
Sales volume (Mbbbl)	2,917	2,181	(736)	(25.2%)
Average unit price of overseas production (\$/bbl)	83.67	79.01	(4.66)	(5.6%)
Average unit price of domestic production (¥/kg)	122	99	(23)	(19.2%)
Average exchange rate (¥/\$)	79.72	98.78	19.06 yen depreciation	23.9% yen depreciation
Sales volume by region (Mbbbl)	Apr.-Dec. '12	Apr.-Dec. '13	Change	%Change
Japan	138 (13.1 thousand ton)	6 (0.6 thousand ton)	(132) (-12.6 thousand ton)	(95.7%)
Asia/Oceania	2,779	2,175	(605)	(21.8%)
Eurasia (Europe/NIS )	-	-	-	-
Middle East/Africa	-	-	-	-
Americas	-	-	-	-
Total	2,917	2,181	(736)	(25.2%)

# Balance Sheet



(Billions of yen)	Mar. '13	Dec. '13	Change	%Change
Current assets	1,106.5	1,148.9	42.4	3.8%
Tangible fixed assets	584.5	849.4	264.9	45.3%
Intangible assets	380.1	418.3	38.2	10.1%
Recoverable accounts under production sharing	590.5	658.5	67.9	11.5%
Other	1,067.2	1,006.7	(60.5)	(5.7%)
Less allowance for recoverable accounts under production sharing	(112.8)	(120.0)	(7.1)	6.3%
<b>Total assets</b>	<b>3,616.1</b>	<b>3,962.1</b>	<b>345.9</b>	<b>9.6%</b>
Current liabilities	414.9	375.3	(39.5)	(9.5%)
Long-term liabilities	530.1	673.2	143.0	27.0%
Total net assets	2,670.9	2,913.4	242.4	9.1%
(Minority interests)	189.6	197.7	8.0	4.3%
<b>Total liabilities and net assets</b>	<b>3,616.1</b>	<b>3,962.1</b>	<b>345.9</b>	<b>9.6%</b>
Net assets per share (Yen) **	1,699.10	1,859.61	160.51	9.4%

Available fund (Billions of yen)  
1,517.8\*

#### Breakdown

- Cash and deposits : 642.0
- Long-term time deposits : 350.9
- Marketable securities : 202.4
- Available investment securities : 322.2

\*Amounts to be allocated to the investments for development and exploration activities until the year ending March 31, 2017 following the "Medium-To Long -Term Vision of INPEX".

#### Shareholders' equity

Retained earnings : +81.1

Accumulated other comprehensive income : +153.2

- Unrealized holding gain on securities : +30.4
- Unrealized gain (loss) from hedging instruments : (45.0)
- Translation adjustments: +167.8

\*\*The company conducted a stock split at a ratio of 1:400 of common stock on October 1, 2013.

Net assets per share is calculated based on the assumption that the stock split was conducted on April 1, 2012.

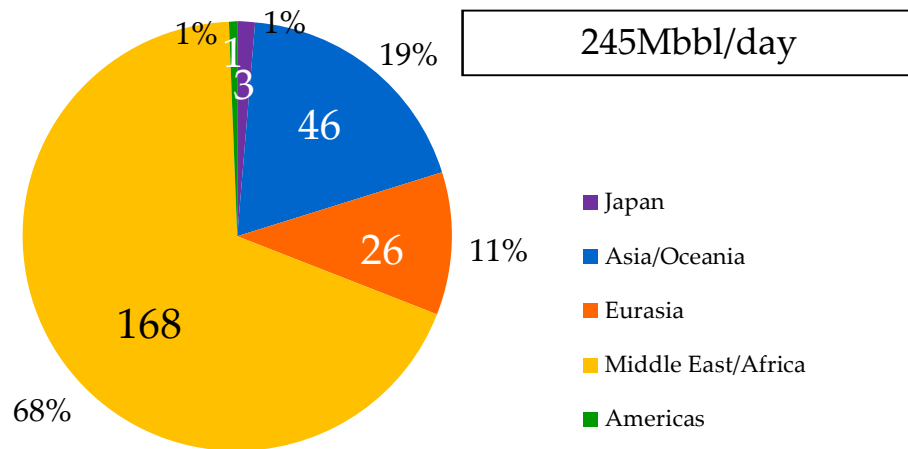
# Statement of Cash Flows



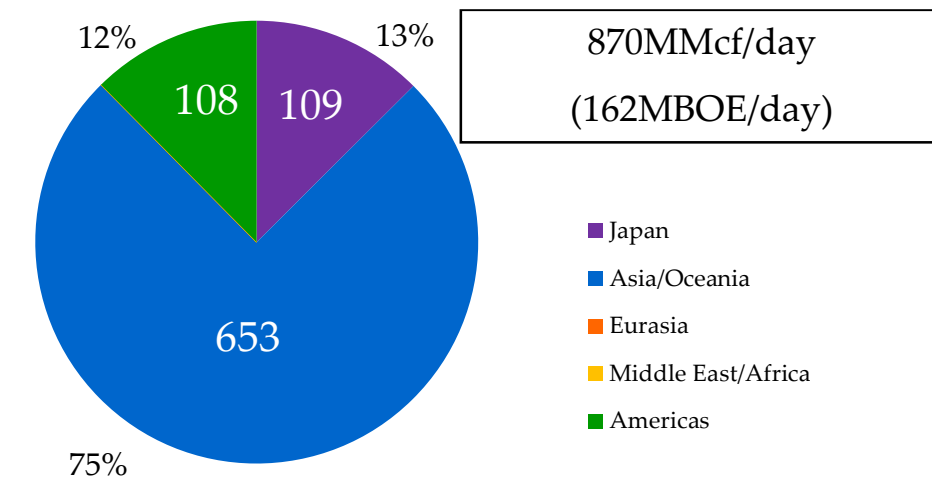
(Billions of Yen)	Apr.-Dec. '12	Apr.-Dec. '13	Change	%Change
Income before income taxes and minority interests	517.1	543.7	26.6	5.1%
Depreciation and amortization	41.0	36.6	(4.4)	(10.7%)
Recovery of recoverable accounts under production sharing (capital expenditures)	39.2	48.8	9.5	24.4%
Recoverable accounts under production sharing (operating expenditures)	(14.0)	(38.0)	(23.9)	170.6%
Income taxes paid	(389.7)	(423.3)	(33.5)	8.6%
Other	(18.6)	(40.9)	(22.2)	119.3%
<b>Net cash provided by operating activities</b>	<b>174.8</b>	<b>126.9</b>	<b>(47.9)</b>	<b>(27.4%)</b>
Payments for time deposits/Proceeds from time deposits (Net)	5.0	(317.4)	(322.4)	-%
Purchase of tangible fixed assets	(139.7)	(234.5)	(94.8)	67.9%
Purchases of marketable securities/investment securities and proceeds from sales of marketable securities/investment securities (Net)	211.8	247.2	35.4	16.7%
Investment in recoverable accounts under production sharing (capital expenditures)	(60.6)	(78.0)	(17.3)	28.7%
Long-term loans made	(136.0)	39.9	176.0	-%
Payments for purchase of mining rights	(169.1)	(33.4)	135.6	(80.2%)
Other	9.3	79.1	69.8	-%
<b>Net cash used in investing activities</b>	<b>(279.4)</b>	<b>(297.1)</b>	<b>(17.7)</b>	<b>6.3%</b>
<b>Net cash provided by financing activities</b>	<b>39.5</b>	<b>40.7</b>	<b>1.2</b>	<b>3.2%</b>
Cash and cash equivalents at end of the period	182.4	124.6	(57.8)	(31.7%)

# Net Production\* (Apr. 2013 – Dec. 2013) **INPEX**

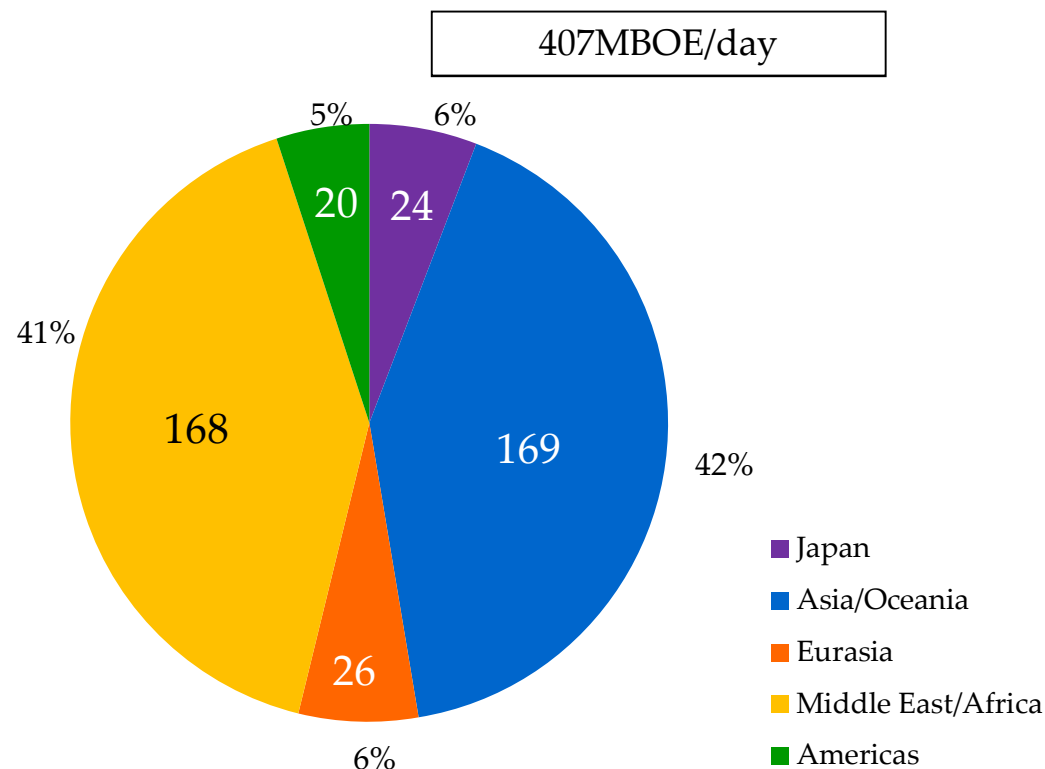
## Oil/Condensate/LPG



## Natural Gas



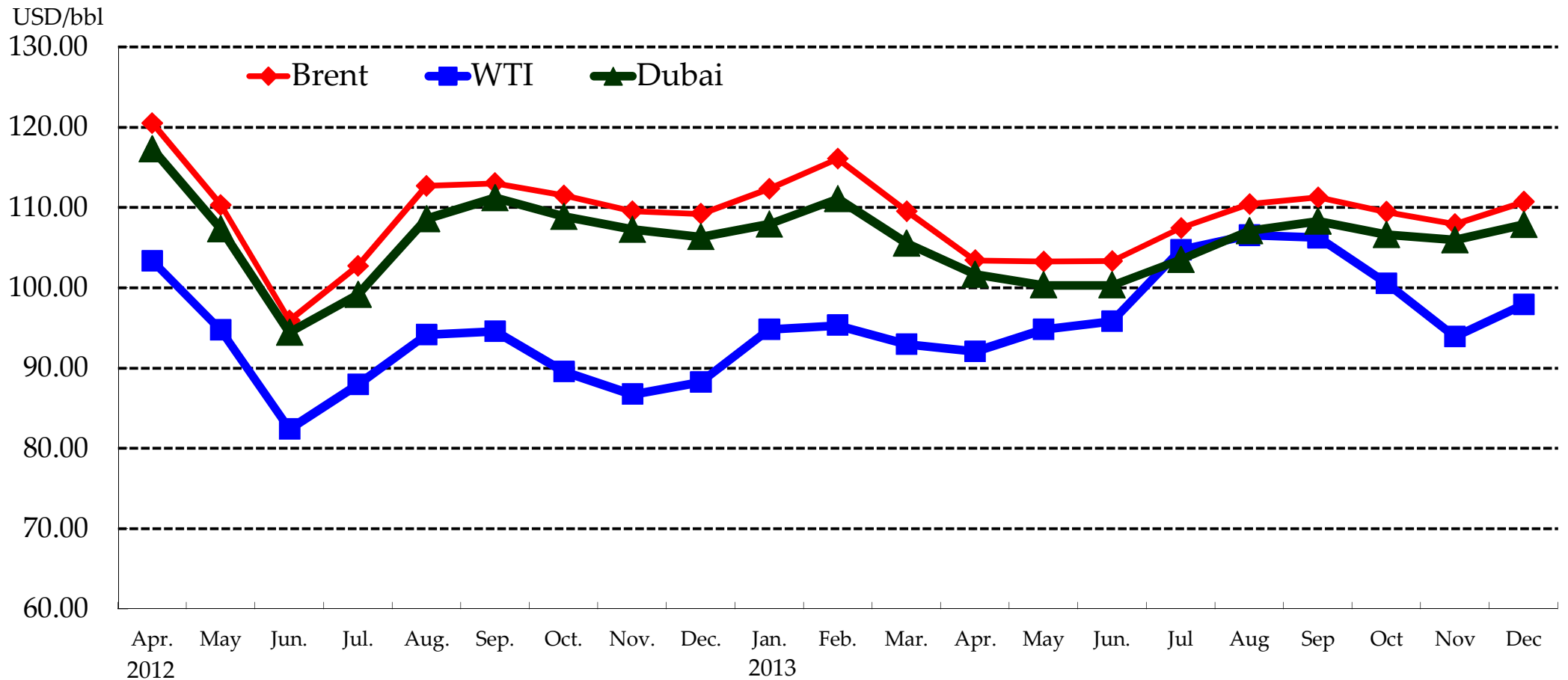
## Total



\* The production volume of crude oil and natural gas under the production sharing contracts entered into by INPEX Group corresponds to the net economic take of our group.



# Crude Oil Prices



	Apr.-Dec. 2012	Apr. 2012 -Mar. 2013	2013										Apr.-Dec. 2013
	Average	Average	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct	Nov	Dec	Average	
Brent	109.49	110.28	103.43	103.28	103.34	107.43	110.45	111.25	109.44	107.90	110.70	107.47	
WTI	91.30	92.06	92.07	94.80	95.80	104.70	106.54	106.24	100.55	93.93	97.89	99.17	
Dubai	106.72	107.09	101.68	100.33	100.32	103.52	107.11	108.28	106.64	105.95	107.86	104.63	