

# Support Material

**Financial Results for the nine months ended September 30, 2021**

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November 5, 2021



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.

## 58 Consolidated Subsidiaries

Major Subsidiaries	Country / Region	Ownership	Phase	Accounting Term
INPEX Sahul, Ltd.	Timor-Leste	100%	Production	December
INPEX Ichthys Pty Ltd	Australia	100%	Production	December
INPEX Oil & Gas Australia Pty Ltd	Australia	100%	Production	December
INPEX Southwest Caspian Sea, Ltd.	Azerbaijan	51%	Production	December
INPEX North Caspian Sea, Ltd.	Kazakhstan	51%	Production	December
Japan Oil Development Co., Ltd.	UAE	100%	Production	December
JODCO Onshore Limited	UAE	51 %	Production	December
JODCO Lower Zakum Limited	UAE	100%	Production	December
INPEX Eagle Ford, LLC	United States	100%	Production	December

## 19 Equity Method Affiliates

Major Affiliates	Country / Region	Ownership	Phase	Accounting Term
Ichthys LNG Pty Ltd	Australia	66.245%	Production	December
MI Berau B.V.	Indonesia	44%	Production	December
Angola Block 14 B.V.	Angola	49.99%	Production	December

# Highlights of the Consolidated Financial Results for the nine months ended September 30, 2021



	3Q FY2020 (Jan - Sept '20)	3Q FY2021 (Jan - Sept '21)	Change	% Change
Net sales (Billions of yen)	592.7	849.2	256.4	43.3%
Crude oil sales	390.3	621.3	230.9	59.2%
Natural gas sales (including LPG)	192.0	216.0	24.0	12.5%
Others	10.4	11.8	1.4	13.6%
Operating income (Billions of yen)	191.2	402.3	211.0	110.3%
Ordinary income (Billions of yen)	199.0	427.2	228.2	114.7%
Net income (loss) attributable to owners of parent (Billions of yen)	(125.4)	137.7	263.1	-
Net income (loss) per share* (Yen)	(85.90)	94.32	180.22	-

Average crude oil price (Brent) (\$/bbl)	42.53	67.97	25.44	59.8%
Average exchange rate (¥/\$)	107.57	108.58	1.01yen depreciation	0.9% depreciation

\* Average number of INPEX shares issued and outstanding during the nine months ended September 30, 2021: 1,460,206,019 shares

	3Q FY2020 (Jan - Sept '20)	3Q FY2021 (Jan - Sept '21)	Change	% Change
Net sales (Billions of yen)	390.3	621.3	230.9	59.2%

Sales volume (thousand bbl)	92,214	87,148	(5,067)	(5.5%)
Average unit sales price of overseas production (\$/bbl)	39.30	65.59	26.29	66.9%
Average unit sales price of domestic production (¥/kl)	31,028	47,378	16,350	52.7%
Average exchange rate (¥/\$)	107.60	108.66	1.06yen depreciation	1.0% depreciation

Sales volume by region (thousand bbl)	3Q FY2020 (Jan - Sept '20)	3Q FY2021 (Jan - Sept '21)	Change	% Change
Japan	474 (75.4 thousand kl)	426 (67.7 thousand kl)	(49) (-7.7 thousand kl)	(10.2%)
Asia & Oceania	11,415	13,553	2,139	18.7%
Eurasia (Europe & NIS)	13,553	11,652	(1,901)	(14.0%)
Middle East & Africa	64,037	59,070	(4,968)	(7.8%)
Americas	2,735	2,447	(289)	(10.6%)
Total	92,214	87,148	(5,067)	(5.5%)

# Natural Gas Sales (excluding LPG)

	3Q FY2020 (Jan - Sept '20)	3Q FY2021 (Jan - Sept '21)	Change	% Change
Net sales (Billions of yen)	189.9	210.2	20.3	10.7%

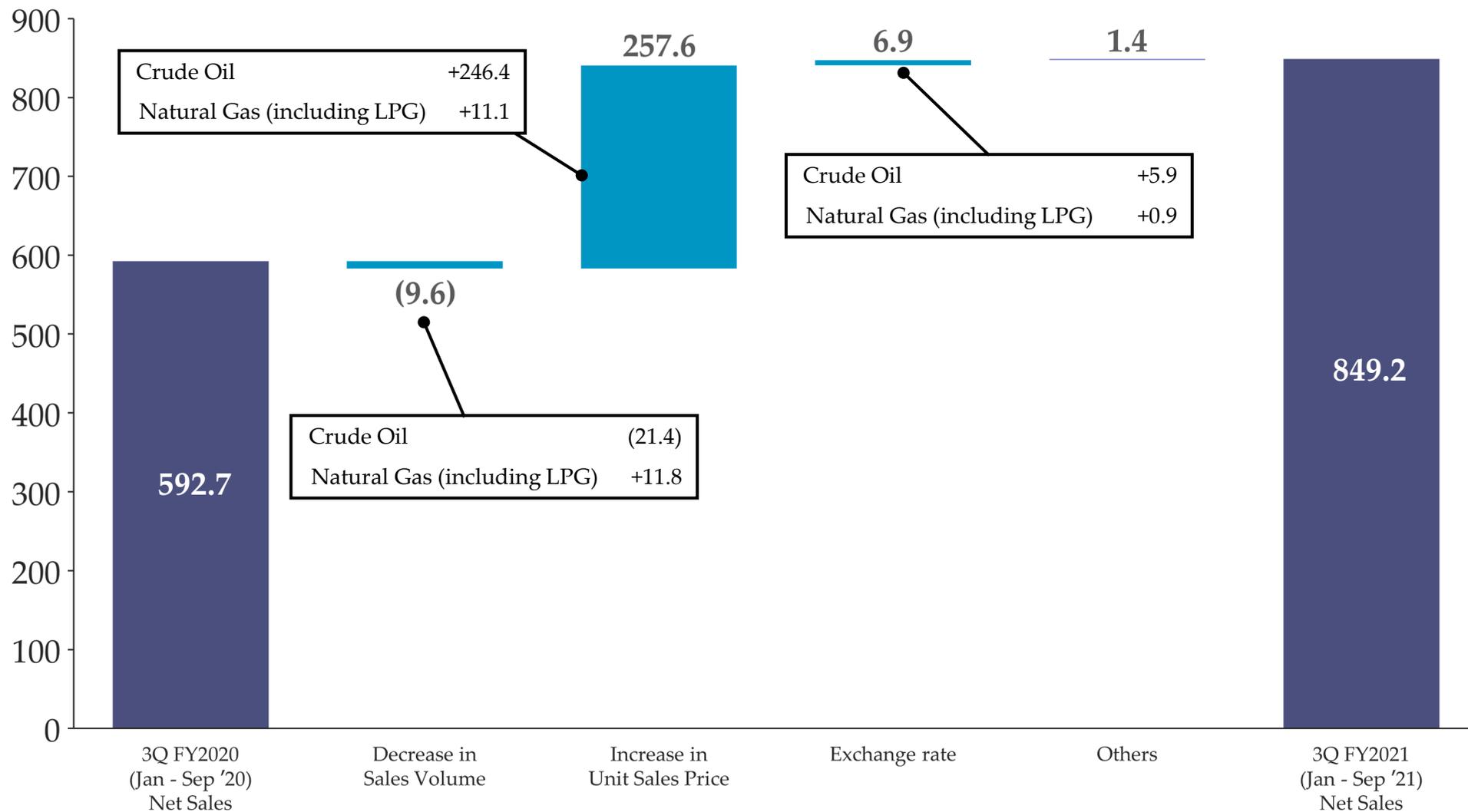
Sales volume (million cf)	343,758	338,904	(4,854)	(1.4%)
Average unit sales price of overseas production (\$/thousand cf)	3.70	4.55	0.85	23.0%
Average unit sales price of domestic sales (¥/m <sup>3</sup> )	49.71	42.56	(7.15)	(14.4%)
Average exchange rate (¥/\$)	108.05	108.78	0.73yen depreciation	0.7% depreciation

Sales volume by region (million cf)	3Q FY2020 (Jan - Sept '20)	3Q FY2021 (Jan - Sept '21)	Change	% Change
Japan	56,462 (1,513million m <sup>3*</sup> )	66,039 (1,770million m <sup>3*</sup> )	9,577 (+257million m <sup>3*</sup> )	17.0%
Asia & Oceania	266,232	256,430	(9,802)	(3.7%)
Eurasia (Europe & NIS)	6,744	6,954	210	3.1%
Middle East & Africa	-	-	-	-
Americas	14,321	9,482	(4,840)	(33.8%)
Total	343,758	338,904	(4,854)	(1.4%)

\* 1m<sup>3</sup>=41.8605MJ

# 3Q FY2021 Analysis of Net Sales Increase

(Billions of Yen)



# Statement of Income

(Billions of Yen)	3Q FY2020 (Jan - Sept '20)	3Q FY2021 (Jan - Sept '21)	Change	% Change
Net sales	592.7	849.2	256.4	43.3%
Cost of sales	339.4	385.5	46.1	13.6%
Gross profit	253.3	463.6	210.2	83.0%
Exploration expenses	5.9	4.0	(1.9)	(32.1%)
Selling, general and administrative expenses	56.1	57.2	1.1	2.0%
Operating income	191.2	402.3	211.0	110.3%
Other income	41.2	63.9	22.7	55.1%
Other expenses	33.5	39.1	5.5	16.5%
Ordinary income	199.0	427.2	228.2	114.7%
Extraordinary loss (Impairment loss)	191.2	-	(191.2)	(100.0%)
Total income taxes	128.7	299.4	170.7	132.6%
Net income (loss) attributable to non-controlling interests	4.4	(9.8)	(14.2)	-
Net income (loss) attributable to owners of parent	(125.4)	137.7	263.1	-

Decrease in sales volume :	(9.6)
Increase in unit sales price :	+257.6
Exchange rate:	+6.9
Others :	+1.4

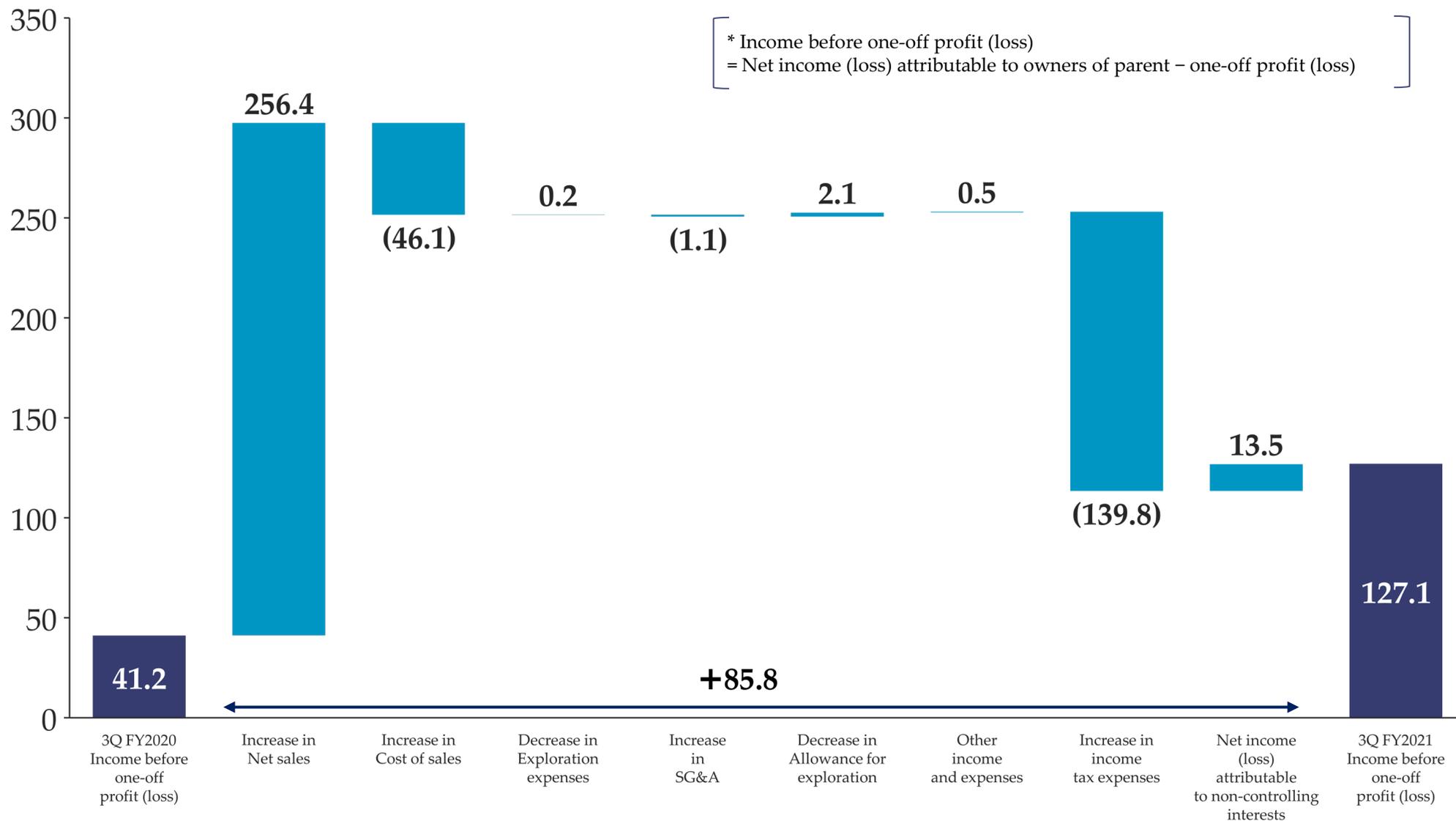
Cost of sales for Crude Oil:	255.6
(Change)	+44.7
Cost of sales for Natural Gas*:	+120.4
(Change)	+0.3

\* Including LPG

Main factor for change :	
Interest income	+21.2

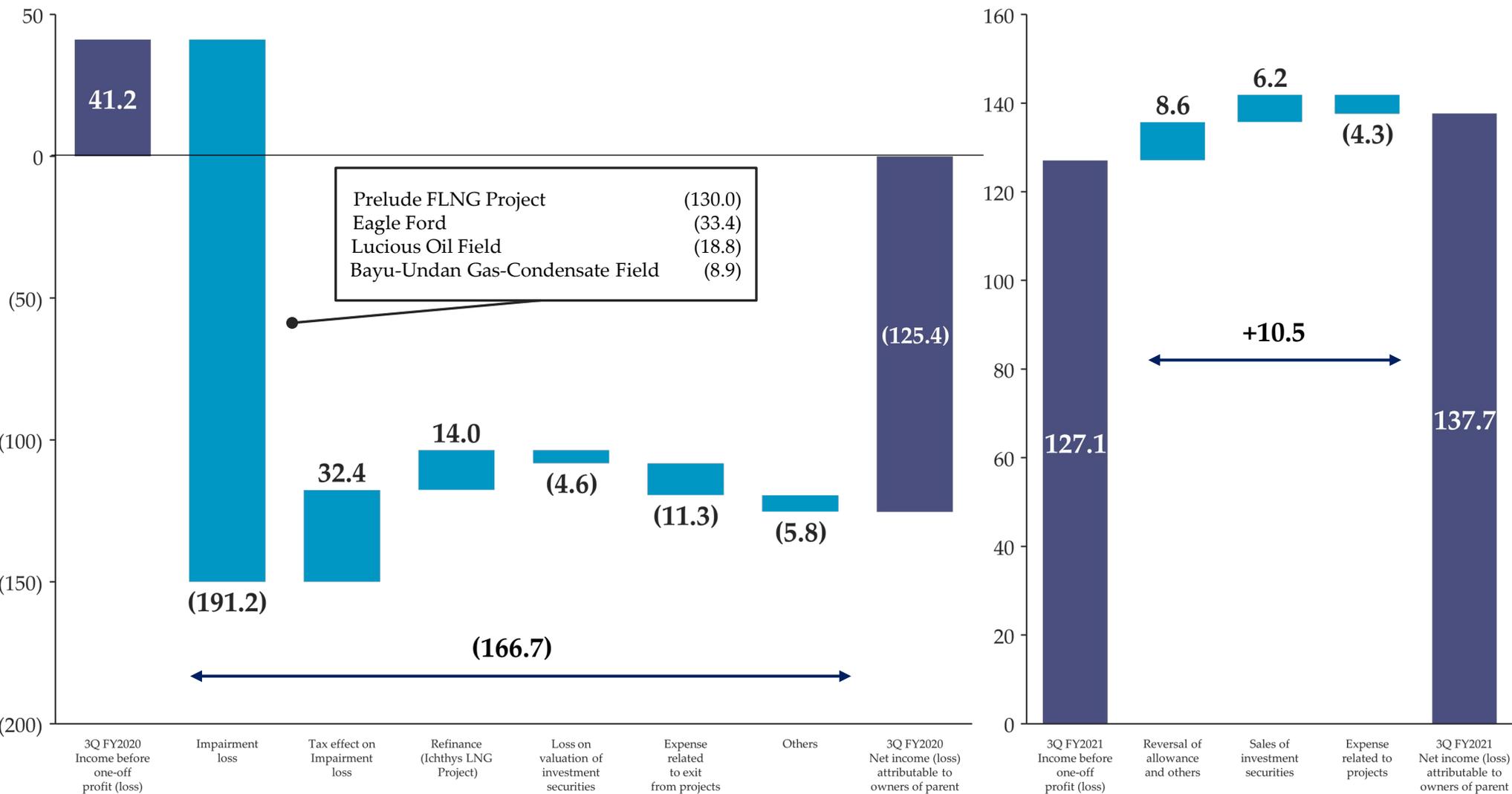
(Billions of Yen)	3Q FY2020 (Jan - Sept '20)	3Q FY2021 (Jan - Sept '21)	Change	% Change
Other income	41.2	63.9	22.7	55.1%
Interest income	0.9	22.2	21.2	-
Dividend income	6.1	5.3	(0.8)	(13.3%)
Equity in earnings of affiliates	28.1	2.8	(25.2)	(89.8%)
Gain on reversal of allowance for recoverable accounts under production sharing	-	7.2	7.2	-
Other	6.0	26.3	20.3	337.9%
Other expenses	33.5	39.1	5.5	16.5%
Interest expense	15.6	10.3	(5.2)	(33.7%)
Provision for allowance for recoverable accounts under production sharing	2.8	-	(2.8)	(100.0%)
Foreign exchange loss	7.3	8.8	1.5	21.3%
Other	7.7	19.8	12.1	156.6%

(Billions of Yen)



# Analysis of Impact of One-off Profit (Loss)

(Billions of Yen)



## ■ Assumptions

(August 10, 2021)	1 <sup>st</sup> half (Jan-Jun)	2 <sup>nd</sup> half (Jul-Dec)	Full year
Crude oil price (Brent) (US\$/bbl)	65.2	65.0	65.1
Exchange rate (yen/US\$)	107.8	110.0	108.9



(November 5, 2021)	1 <sup>st</sup> half (Jan-Jun)	2 <sup>nd</sup> half (Jul-Dec)	Full year
Crude oil price (Brent) (US\$/bbl)	65.2	74.1 <sup>*1</sup>	69.7
Exchange rate (yen/US\$)	107.8	110.1 <sup>*2</sup>	108.9

\*1: 3rd quarter (Actual) : US\$73.2/bbl, 4th quarter (Forecast) : US\$75.0/bbl \*2: 3rd quarter (Actual) : ¥110.1/US\$, 4th quarter (Forecast) : ¥110.0/US\$

## ■ Financial Forecasts for the year ending December 31, 2021

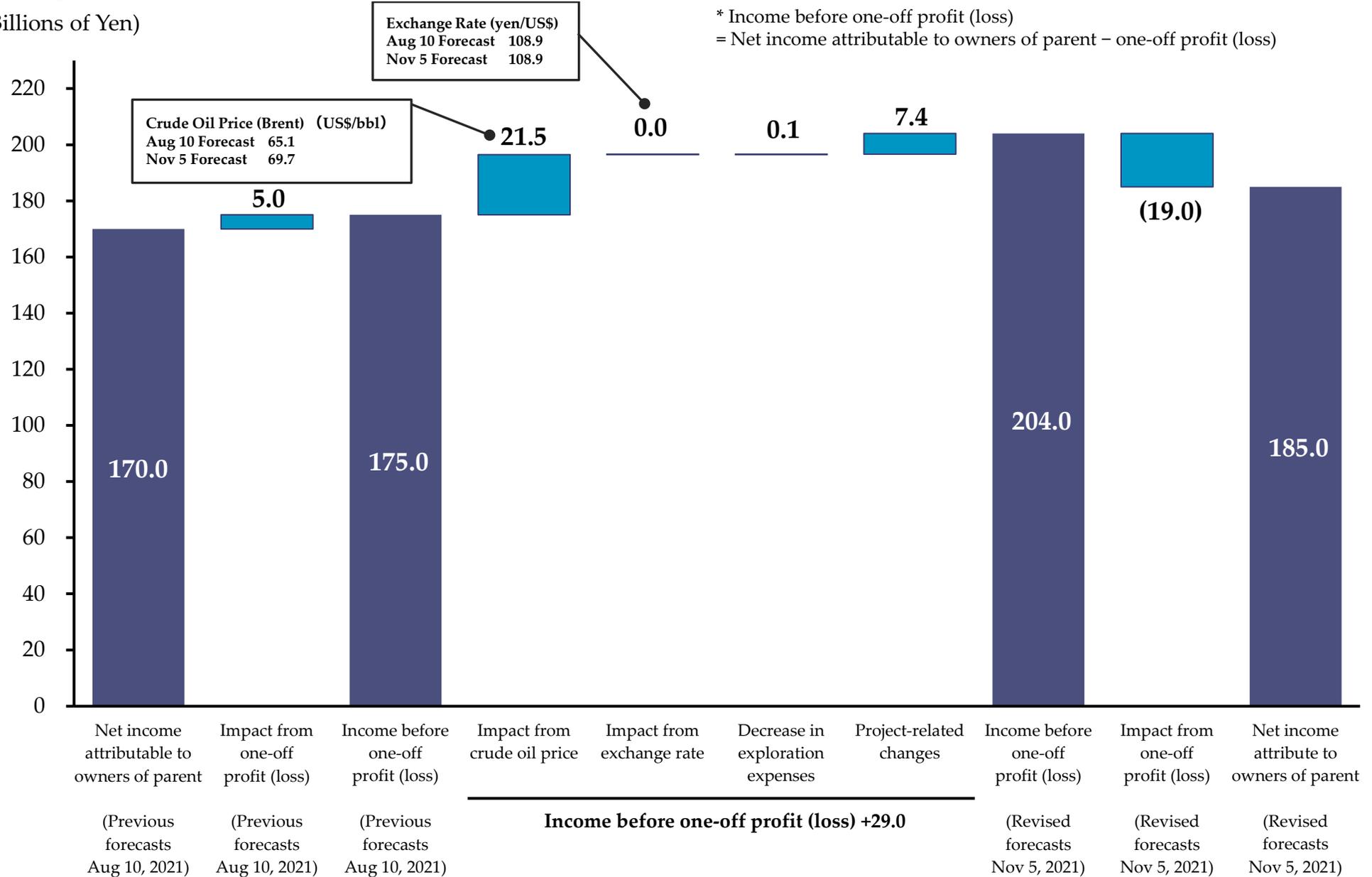
	Previous forecasts (August 10, 2021)	Revised forecasts (November 5, 2021)	Change	% Change
Net sales (billions of yen)	1,134.0	1,220.0	86.0	7.6%
Operating income (billions of yen)	513.0	588.0	75.0	14.6%
Ordinary income (billions of yen)	545.0	611.0	66.0	12.1%
Net income attributable to owners of parent (billions of yen)	170.0	185.0	15.0	8.8%

## ■ Dividend per share

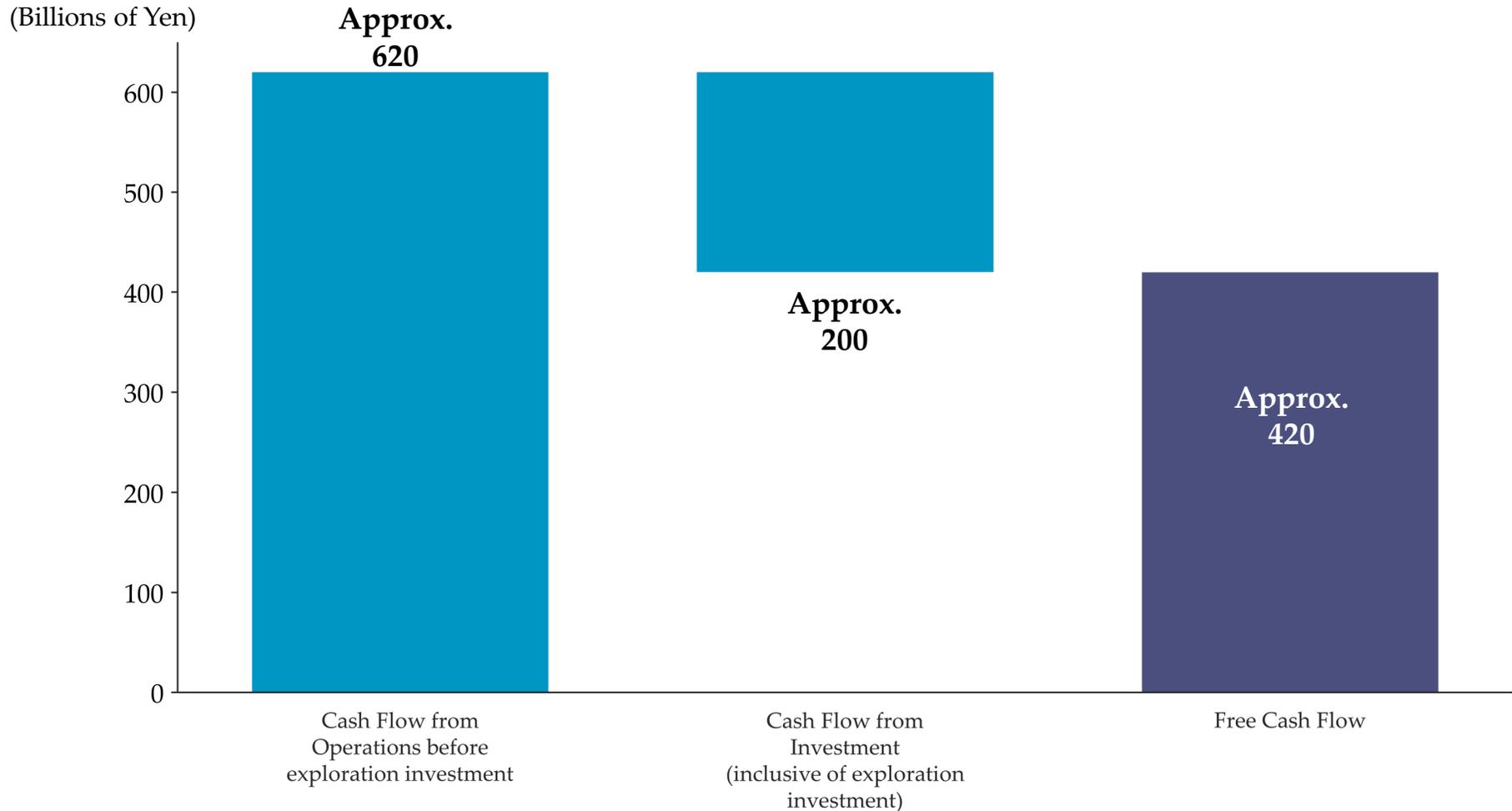
End of 2Q	End of fiscal year (forecast)	Full year (forecast)
¥20.00	¥20.00	¥40.00

# FY2021 Financial Forecasts Analysis of Net Income

(Billions of Yen)



- Approximately ¥420 billion in free cash flow\* forecasted for FY2021.



\* Including the Ichthys Downstream IJV (Incorporated Joint Venture)

# Appendix

***INPEX***

	3Q FY2020 (Jan - Sept '20)	3Q FY2021 (Jan - Sept '21)	Change	% Change
Net sales (Billions of yen)	2.1	5.7	3.6	172.9%

Sales volume (thousand bbl)	210	685	475	226.1%
Average unit sales price of overseas production (\$/bbl)	34.77	59.13	24.36	70.1%
Average unit sales price of domestic production (¥/kg)	60.64	80.14	19.50	32.2%
Average exchange rate (¥/\$)	107.21	108.79	1.58yen depreciation	1.5% depreciation

Sales volume by region (thousand bbl)	3Q FY2020 (Jan - Sept '20)	3Q FY2021 (Jan - Sept '21)	Change	% Change
Japan	1 (0.1 thousand ton)	2 (0.2 thousand ton)	0 (+0.0 thousand ton)	16.7%
Asia & Oceania	208	683	474	227.6%
Eurasia (Europe & NIS)	-	-	-	-
Middle East & Africa	-	-	-	-
Americas	-	-	-	-
Total	210	685	475	226.1%

(Billions of yen)	December 2020	September 2021	Change	% Change
Current assets	387.0	532.4	145.4	37.6%
Tangible fixed assets	2,069.7	2,196.7	126.9	6.1%
Intangible assets	441.8	438.9	(2.8)	(0.6%)
Recoverable accounts under production sharing	575.5	553.0	(22.5)	(3.9%)
Other	1,229.7	1,370.9	141.2	11.5%
Less allowance for recoverable accounts under production sharing	(69.4)	(62.2)	7.2	(10.4%)
<b>Total assets</b>	<b>4,634.5</b>	<b>5,030.0</b>	<b>395.4</b>	<b>8.5%</b>
Current liabilities	339.2	396.2	57.0	16.8%
Long-term liabilities	1,293.8	1,347.6	53.7	4.2%
<b>Total net assets</b>	<b>3,001.3</b>	<b>3,286.0</b>	<b>284.7</b>	<b>9.5%</b>
(Non-controlling interests)	264.7	257.9	(6.8)	(2.6%)
<b>Total liabilities and net assets</b>	<b>4,634.5</b>	<b>5,030.0</b>	<b>395.4</b>	<b>8.5%</b>
Net assets per share (Yen)	1,874.08	2,073.78	199.70	10.7%

Summary of financial information for Ichthys downstream JV (100% basis - the Company equity share is 66.245%) (Billions of yen)

- Current assets : 259.5
- Fixed assets : 3,655.6
- Total assets: 3,915.1

\*Fixed Assets include interest expenses for qualified assets under the accounting standards as well as investments before FID.

The total of long-term loans and short-term loans is 1.1 trillion yen.

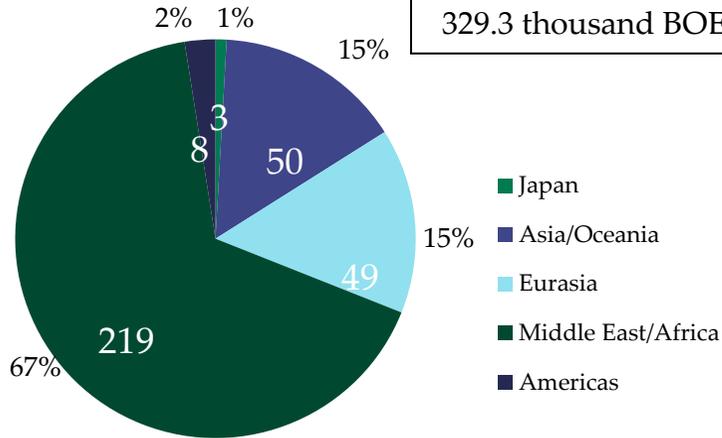
Adding the off-balanced net loans of Ichthys downstream JV brings the total of INPEX net loans to be 2.0 trillion yen (as of September 2021).

(Billions of yen)  
 Total shareholders' equity: +93.3  
 Accumulated other comprehensive income :

- Unrealized gain (loss) from hedging instruments: +28.3
- Translation adjustments: +169.4

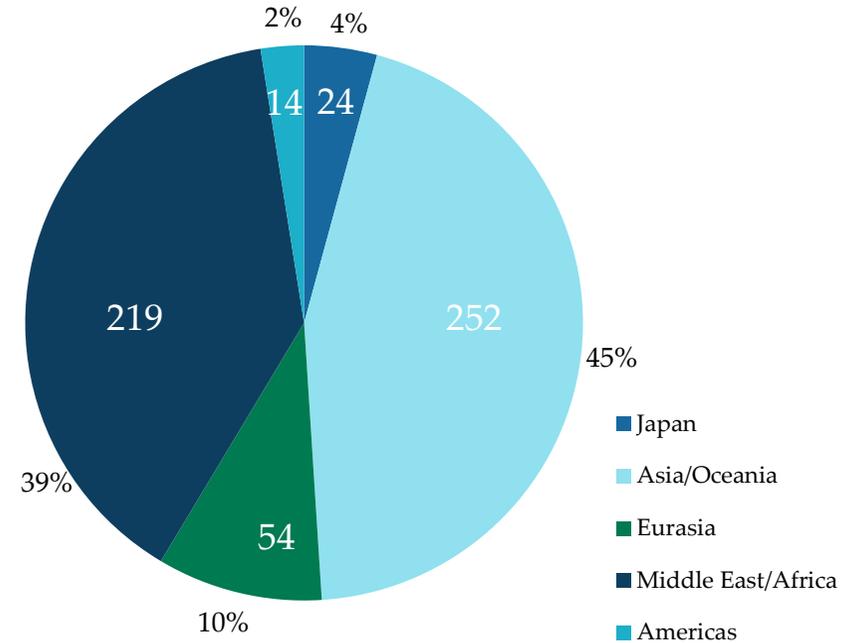
## Oil, Condensate and LPG

329.3 thousand BOE/day



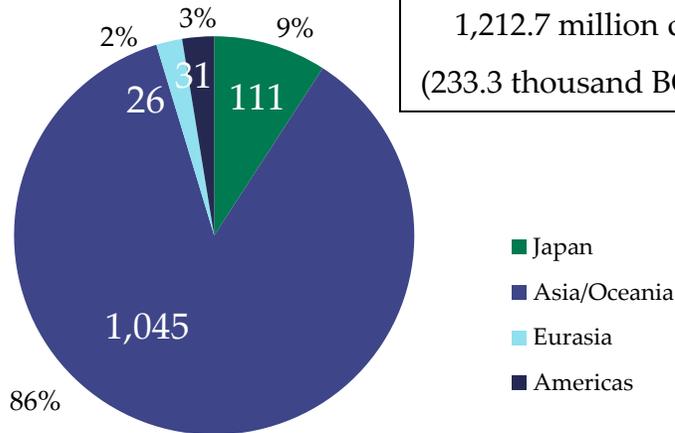
## Oil and Gas Total

562.6 thousand BOE/day



## Natural Gas

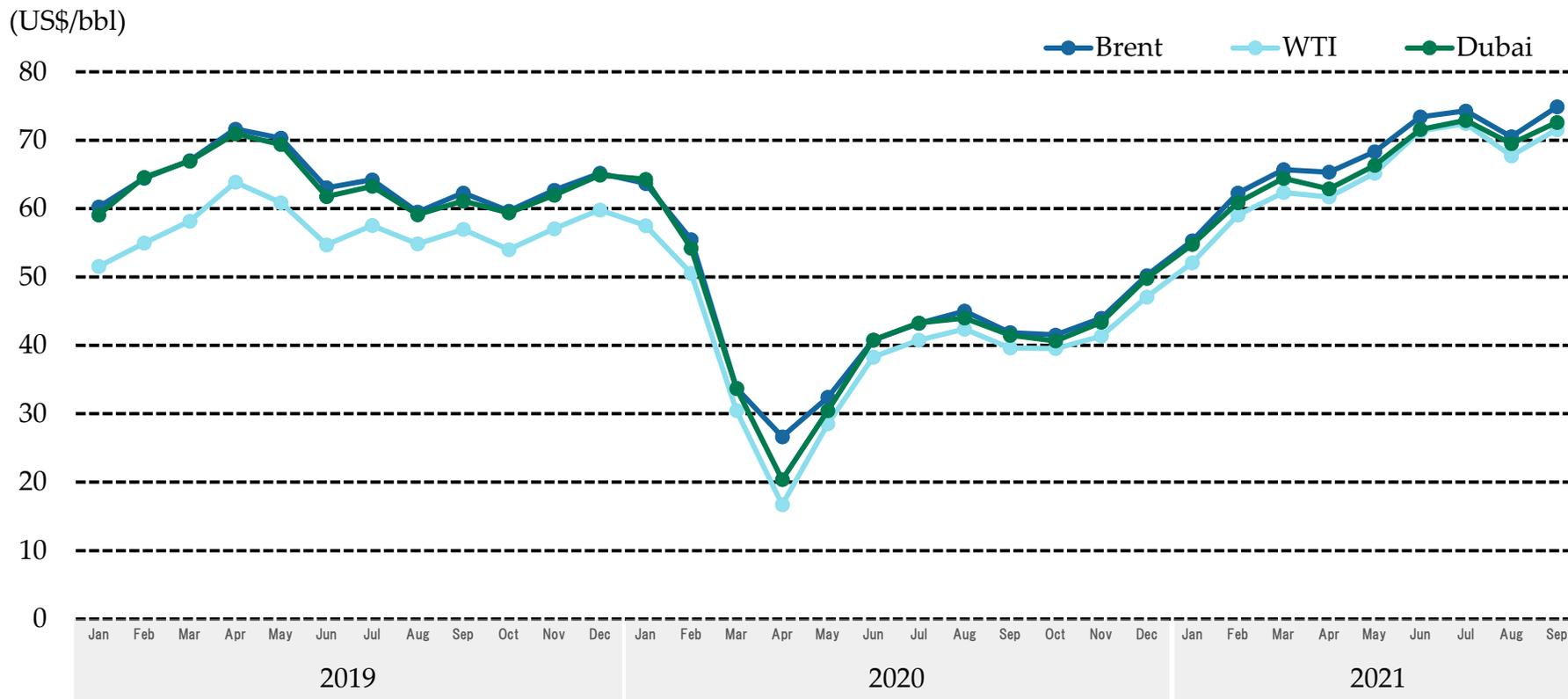
1,212.7 million cf/day  
(233.3 thousand BOE/day)



\* The production volume under the production sharing contracts corresponds to the net economic take of the INPEX Group.

\* Revised net production volume outlook for FY2021: 576 thousand BOE/day

(Outlook at the beginning of FY2021: 559 thousand BOE/day, outlook at the end of Q2: 571 thousand BOE/day)



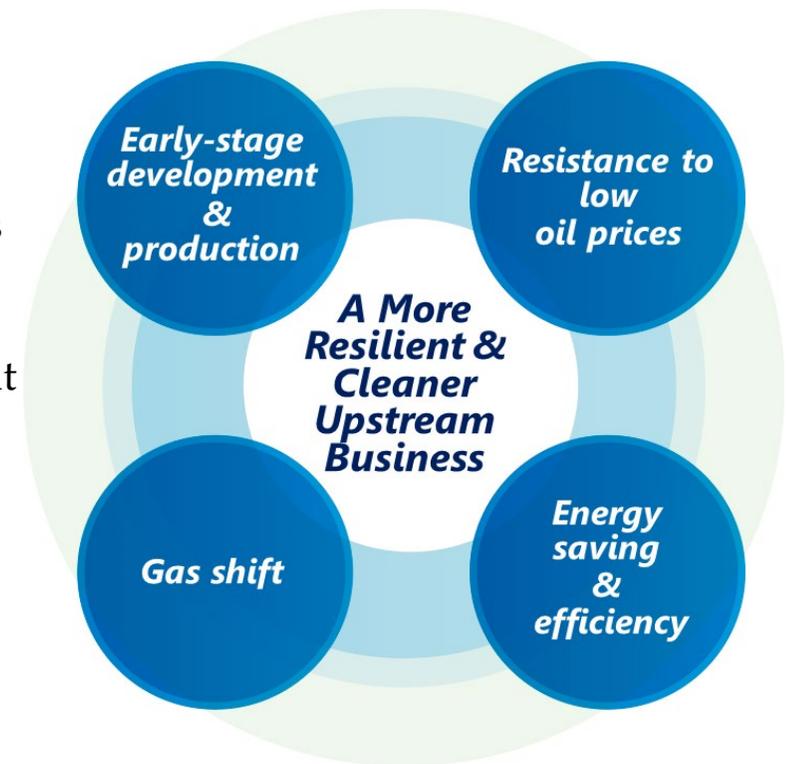
	Jan to Sep 2020 (Average)	Jan to Dec 2020 (Average)	2021									Jan to Sep 2021 (Average)
			Jan	Feb	Mar	Apr	May	Jun	Jul	Sep	Oct	
Brent	42.53	43.21	55.32	62.28	65.70	65.33	68.31	73.41	74.29	70.51	74.88	67.78
WTI	38.32	39.40	52.10	59.06	62.36	61.70	65.16	71.35	72.43	67.71	71.54	64.82
Dubai	41.40	42.21	54.77	60.86	64.41	62.89	66.31	71.57	72.90	69.49	72.61	66.20

## Basic Policy on Management

INPEX will proactively engage in energy structure reforms towards the realization of a net zero carbon society by 2050, while responding to the growing energy demands of Japan and the world and fulfilling its responsibility for the development and stable supply of energy over the long-term.

### 1. Stable supply of energy

- The company will continue to position its upstream business as a core business and will work to fulfill its two social responsibilities of providing a stable supply of energy and responding to climate change by strengthening its upstream business and making it cleaner.
- INPEX will accelerate its shift to natural gas and continue enhancing initiatives to expand its Global Gas Value Chain in Japan and growing markets in Asia, while promoting carbon neutral LNG.



\* The company is currently considering plans including to bring forward the timing of the announcement of the next Medium-term Business Plan, given factors including the announcement of the “Business Development Strategy - Towards a Net Zero Carbon Society by 2050” on January 27, 2021.

## 2. Goals and Initiatives Towards a Net Zero Carbon Society

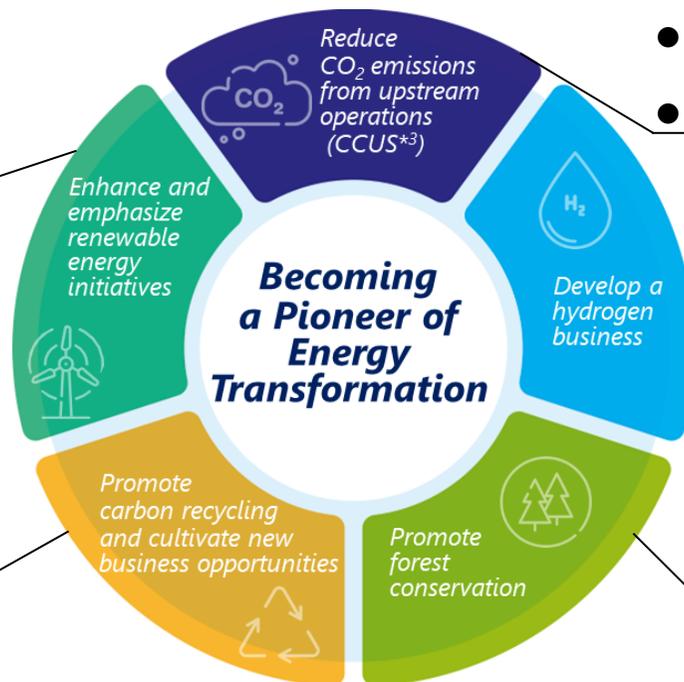
- INPEX will set its climate change response goals to contribute to the realization of the Paris Agreement objectives in relation to climate change.



- The company will actively promote five business pillars in order to offer solutions responding to the needs of society.

- Geothermal: Japan & Indonesia
- Wind: Fixed-bottom offshore project in Akita, Japan, Creation of floating offshore wind business

- Methanation: Scale-up of test facilities in Niigata
- Artificial Photosynthesis
- New Fields: Drones, Methane cracking, Carbon material business



- CO2 EOR Demonstration Tests in Niigata, Japan etc.
- Ichthys LNG Project CCS

- Concept of Integrated Hydrogen Business Test Project in Kashiwazaki, Niigata, Japan
- Clean Ammonia Business in Abu Dhabi
- Carbon-Free Hydrogen Business outside Japan

- Contribution to forest conservation activities in Indonesia and other countries

\*1 on INPEX equity share basis

\*2 in comparison with 2019

\*3 Carbon dioxide Capture, Utilization and Storage