

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

Company name INPEX CORPORATION Code number : 1604 (1st section of Tokyo Stock Exchange)

(URL <http://www.inpex.co.jp/>)

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## 1. Preparation of Financial Results

1. Application of a simple accounting procedure : No  
 2. Any changes in accounting procedure from the latest fiscal year : No  
 3. Any changes in scope of consolidation and equity method of accounting : Yes

Number of newly consolidated subsidiaries: 1

Number of affiliates newly accounted for by the equity method: 1

## 2. Results of FY2005 1st Quarter (April 1, 2004 June 30, 2004)

## (1) Consolidated operating results

Note: Amounts less than one million yen are rounded off.

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2005 1st Quarter	97,536	101.1	51,773	155.7	49,945	202.3	14,972	117.8
FY2004 1st Quarter	48,493	-	20,249	-	16,522	-	6,872	-
FY2004	218,831		93,876		94,773		34,781	

	Net income per share—basic		Net income per share—diluted	
	yen		yen	
FY2005 1st Quarter	8,120.64		-	
FY2004 1st Quarter	11,664.84	(3,888.28)	-	
FY2004	58,838.76	(19,612.92)	-	

(Notes) 1. The percentage expressions for net sales, operating income, ordinary income and net income represent the change from the corresponding period in the preceding year.

2. Average number of shares issued and outstanding in each period (consolidated) FY2005 1st quarter 1,843,716 shares; FY2004 1st quarter 589,200 shares; FY2004 589,200 shares

On May 18, 2004, there was a 3-for-1 stock split of common stock. Net income per share for FY2004 1st quarter and FY2004 restated for the effect of this stock split is presented in parentheses.

## (2) Consolidated financial position

Note: Amounts less than one million yen are rounded off.

	Total assets	Shareholders' equity	Ratio of shareholder' equity	Net assets per share	
	Millions of yen	Millions of yen	%	yen	
FY2005 1st Quarter	667,822	348,918	52.2	181,744.14	
FY2004	525,298	278,113	52.9	471,826.00 (157,275.33)	

(Note) Number of shares issued and outstanding at the end of each period (consolidated) FY2005 1st quarter 1,919,832 shares  
 FY2004 589,200 shares

On May 18, 2004, there was a 3-for-1 stock split of common stock. Net assets per share for FY2004 restated for the effect of this stock split are presented in parentheses.

## Accompanying materials

1. Condensed Consolidated Balance Sheets  
 2. Condensed Consolidated Statements of Income

## 1. Condensed Consolidated Balance Sheets

Description	As of June 30, 2004	As of March 31, 2004
	Amount (Millions of yen)	Amount (Millions of yen)
Current assets	180,585	106,952
Fixed assets	487,237	418,345
Total assets	667,822	525,298
Current liabilities	77,840	28,894
Long-term liabilities	207,417	185,410
Long-term debt thereof	171,321	169,307
Total liabilities	285,257	214,305
Minority interests in consolidated subsidiaries	33,646	32,878
Total shareholders' equity	348,918	278,113
Total liabilities, minority interests and shareholders' equity	667,822	525,298

## 2. Condensed Consolidated Statements of Income

Description	For the three months ended June 30, 2004		For the three months ended June 30, 2003		For the year ended March 31, 2004	
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)
Net sales	97,536	100.0	48,493	100.0	218,831	100.0
Cost of sales	42,674	43.8	24,487	50.5	105,758	48.3
Gross profit	54,861	56.2	24,006	49.5	113,072	51.7
Exploration expenses	719	0.7	3,045	6.3	11,552	5.3
Selling, general and administrative expenses (Note)1	2,368	2.4	711	1.4	7,644	3.5
Operating income	51,773	53.1	20,249	41.8	93,876	42.9
Other income	1,747	1.8	717	1.5	15,503	7.1
Other expenses (Note)2	3,575	3.7	4,445	9.2	14,606	6.7
Ordinary income	49,945	51.2	16,522	34.1	94,773	43.3
Income before income taxes and minority interests	49,945	51.2	16,522	34.1	94,773	43.3
Income taxes	34,612	35.5	11,134	23.0	60,318	27.5
Minority interests	361	0.3	(1,484)	(3.1)	(326)	(0.1)
Net income	14,972	15.4	6,872	14.2	34,781	15.9

(Notes) 1 Depreciation and amortization expenses are included in the amounts: ¥397 million for FY2005 1st quarter, ¥96 million for FY2004 1st quarter and ¥2,329 million for FY2004.

2 Provision for allowance for recoverable accounts under production sharing to projects in the exploration phase is included: ¥104 million for FY2005 1st quarter, ¥3,381 million for FY2004 1st quarter and ¥10,056 million for FY2004.