



## Consolidated Financial Results for the Three Months ended June 30, 2007

August 9, 2007

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

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(Amounts less than one million yen are rounded off)

### 1. Consolidated Financial Results for the Three Months ended June 30, 2007 (April 1, 2007-June 30, 2007)

#### (1) Consolidated operating results

(The percentage expressions represent the changes from the corresponding period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
For the three months ended								
June 30, 2007	269,844	21.0	160,464	23.1	157,257	18.4	38,545	49.6
June 30, 2006	223,032	—	130,390	—	132,818	—	25,760	—
For the year ended								
March 31, 2007	969,712		559,077		586,262		165,091	

	Net income per share—basic		Net income per share—diluted	
	Yen	Yen	Yen	Yen
For the three months ended				
June 30, 2007	16,352.49	—	—	—
June 30, 2006	11,025.74	—	—	—
For the year ended				
March 31, 2007	70,423.45	—	—	—

#### (2) Consolidated financial position

	Total assets	Net assets	Net assets excluding minority interests as a percentage of total assets	Net assets excluding minority interests per share
	Million yen	Million yen	%	Yen
As of June 30, 2007	1,677,430	1,115,758	62.9	447,838.05
As of June 30, 2006	1,449,551	894,154	58.7	364,230.57
As of March 31, 2007	1,608,106	1,080,016	64.0	436,467.92

#### (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 period
	Million yen	Million yen	Million yen	Million yen
For the three months ended				
June 30, 2007	83,424	(63,530)	(16,290)	196,996
June 30, 2006	66,137	(46,116)	(6,727)	163,077
For the year ended				
March 31, 2007	231,981	(209,243)	13,793	189,416

### 2. Estimated Consolidated Operating Results for the year ending March 31, 2008 (April 1, 2007-March 31, 2008) 【Reference】

(The percentage expressions represent the changes from the corresponding period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
For the six months ending									
September 30, 2007	535,000	6.8	291,000	(2.5)	287,000	(2.4)	63,000	(2.6)	26,728.74
For the year ending									
March 31, 2008	1,008,000	3.9	529,000	(5.4)	519,000	(11.5)	120,000	(27.3)	50,911.89

### 3. Others

- |                                                   |      |
|---------------------------------------------------|------|
| (1) Significant changes in scope of consolidation | : No |
| (2) Adoption of simplified accounting method      | : No |
| (3) Changes in accounting policies                | : No |

\*Explanation regarding the appropriate use of estimated consolidated operating results

The aforementioned forecasts of “2. Estimated Consolidated Operating Results for the year ending March 31, 2008” are based on currently available information and contain many uncertainties. Changing business conditions including oil and gas price levels, production and sales plans, projects development schedules, government regulations, financial conditions and relationship with oil and gas producing countries may cause actual results to differ from the above forecasts.

## 【Qualitative Information / Financial Statements】

### 1. Qualitative Information on Consolidated Financial Results

During the three months ended June 30, 2007, consolidated net sales increased by ¥46,812 million, or 21.0%, to ¥269,844 million from the corresponding period of the previous fiscal year mainly due to the increase in sales volume of crude oil and natural gas, and besides, the average exchange rate of Japanese yen against U.S. dollar fell for sales during the three months ended June 30, 2007. Net sales of crude oil increased by ¥36,004 million, or 25.5%, to ¥177,321 million, and net sales of natural gas increased by ¥11,043 million, or 14.6% to ¥86,767 million, respectively. Sales volume of crude oil increased by 3,267 Mbbls, or 17.5%, to 21,924 Mbbls mainly due to increase in production volume at ACG Oil Fields and increase in sales volume at ADMA Block. Sales volume of natural gas increased by 15,382 MMcf, or 18.5%, to 98,656 MMcf. Sales volume of natural gas produced overseas increased by 11,627 MMcf, or 15.8%, to 85,102 MMcf mainly due to initiation of natural gas sales at Venezuela project and sales volume of natural gas produced domestically increased by 101 MMm<sup>3</sup>, or 38.3%, to 363 MMm<sup>3</sup> (13,554 MMcf) mainly due to increase in sales volume for major clients. The average sales price of crude oil produced overseas increased by US\$0.84 per bbl, or 1.3 %, to US\$66.62 per bbl. Meanwhile, the average sales price of natural gas produced overseas decreased by US\$0.69 per Mcf, or 9.0%, to US\$6.93 per Mcf. The decrease in the average sales price of natural gas produced overseas was mainly due to lower unit price of the Venezuela project, whose sales are recorded from the current period. By the energy policy of government of Venezuela, natural gas produced is supplied at lower price for domestic demand for energy, such as electric power generation. Meanwhile, the average sales price of natural gas produced for existing overseas projects decreased by 3.0%. In addition, the average sales price of natural gas produced domestically increased by ¥0.15, or 0.4%, to ¥35.36 per m<sup>3</sup>. The average exchange rate of Japanese yen against U.S. dollar fell for sales ¥6.40, or 5.6%, to ¥120.92 per U.S. dollar from the corresponding period of the previous fiscal year.

The increase of ¥46.8 billion in net sales was derived mainly from the following factors: an increase in sales volume of crude oil and natural gas contributed ¥31.8 billion, a fluctuation of unit price contributed ¥0.3 billion, and the depreciation of Japanese yen against U.S. dollar contributed ¥13.1 billion. Besides, the initiation of sales at Venezuela project contributed ¥1.7 billion. In addition to this, net sales excluding crude oil and natural gas decreased by ¥0.2 billion.

Cost of sales for the three months ended June 30, 2007 increased by ¥15,778 million, or 20.9%, to ¥91,134 million mainly due to increase in royalty at ADMA Block owing to increase in sales and increase in expenses for exploratory wells at Offshore Mahakam Block. Exploration expenses decreased by ¥3,039 million, or 50.7%, to ¥2,958 million. Selling, general and administrative expense increased by ¥3,999 million, or 35.4%, to ¥15,287 million mainly due to increase in transportation cost of crude oil. As a result, operating income increased by ¥30,073 million, or 23.1%, to ¥160,464 million.

Other income increased by ¥753 million, or 8.7 %, to ¥9,390 million, and other expenses increased by ¥6,387 million, or 102.9%, to ¥12,597 million mainly due to foreign exchange loss arisen from loans denominated in foreign currency. As a result, ordinary income increased by ¥24,439 million, or 18.4%, to ¥157,257 million.

Total amount of current income taxes and deferred income taxes increased by ¥9,257 million, or 8.9%, to ¥113,033 million, and minority interests were ¥5,678 million. As a result of above effects, net income for the three months ended June 30, 2007 increased by ¥12,785 million, or 49.6%, to ¥38,545 million from the corresponding period of the previous fiscal year.

### 2. Qualitative Information on Consolidated Financial Position

Consolidated total assets as of June 30, 2007 increased by ¥69,324 million to ¥1,677,430 million from ¥1,608,106 million as of March 31, 2007. This is mainly due to ¥42,456 million increase in investment securities and ¥12,978 million increase in recoverable accounts under production sharing at Kashagan Oil Field, Offshore Mahakam Block and others.

Meanwhile, total liabilities increased by ¥33,581 million to ¥561,672 million from ¥528,090 million as of March 31, 2007. Current liabilities increased by ¥15,488 million to ¥281,735 million mainly due to increase in overseas income taxes payable. Long-term liabilities increased by ¥18,093 million to ¥279,936 million mainly due to increase in long-term debt for development of Kashagan Oil Field.

Net assets increased by ¥35,742 million to ¥1,115,758 million, and minority interests in net assets increased by ¥9,076 million to ¥60,198 million.

As for cash flows for the three months ended June 30, 2007, net cash provided by operating activities increased by ¥17,287 million to ¥83,424 million from corresponding period of the previous fiscal year. This is mainly due to increase in sales volume of crude oil and natural gas, and besides, the average exchange rate of Japanese yen against U.S. dollar fell for sales during the three months ended for June 30, 2007. Meanwhile, net cash used in investing activities increased by ¥17,414 million to ¥63,530 million mainly due to purchases of investment securities. Net cash used in financial activities increased by ¥9,562 million to ¥16,290 million mainly due to repayments of long-term debt. After adding ¥3,975 million of the effect of exchange rate changes on cash and cash equivalents, the increase in cash and cash equivalents at the end of the three months ended June 30, 2007 amounted to ¥7,579 million. Cash and cash equivalents at the end of the three months ended June 30, 2007 totaled ¥196,996 million reflecting above net increase of ¥7,579 million from ¥189,416 million at the end of the previous fiscal year.

### 3. Qualitative Information on Estimated Consolidated Operating Results

We have revised our consolidated financial forecasts for the six months ending September 30, 2007 and for the year ending March 31, 2008, which were previously announced in May 11, 2007 due to the increase in the price of crude oil and others.

#### 1. Revisions of the forecasts for consolidated financial results for the six months ending September 30, 2007

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Previous Forecasts: A	429,000	208,000	214,000	52,000
Revised Forecasts: B	535,000	291,000	287,000	63,000
Fluctuation: B - A	106,000	83,000	73,000	11,000
Fluctuation rate (%)	24.7%	39.9%	34.1%	21.2%

#### 2. Revisions of the forecasts for consolidated financial results for the year ending March 31, 2008

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Previous Forecasts: A	856,000	414,000	410,000	96,000
Revised Forecasts: B	1,008,000	529,000	519,000	120,000
Fluctuation: B - A	152,000	115,000	109,000	24,000
Fluctuation rate (%)	17.8%	27.8%	26.6%	25.0%

The above forecasts are calculated based on the following assumptions:

	Previous Forecasts	Revised Forecasts
Crude Oil Price (Brent)	Full Year (April 1, 2007- March 31, 2008) : US\$ 55/bbl	2 <sup>nd</sup> Quarter (July 1, 2007- September 30, 2007) : US\$70.00/bbl Second-Half (October 1, 2007- March 31, 2008) : US\$60.00/bbl
Exchange rates (for sales of crude oil)	Full Year (April 1, 2007- March 31, 2008) : ¥110/US\$1	2 <sup>nd</sup> Quarter (July 1, 2007- September 30, 2007) : ¥115/US\$1 Second-Half (October 1, 2007- March 31, 2008) : ¥115/US\$1

Crude oil prices which the Company sells depend on the type of crude oil, and there are also price differential between our crude oil price and Brent price. Price differential are caused by its quality and its pricing range which is affected by the market conditions. Most of our crude oil prices are lower than Brent price.

4. Condensed Consolidated Financial Statements  
(1) Condensed Consolidated Balance Sheets

(Millions of yen, %)

Accounts	As of March 31, 2007 (A)		As of June 30, 2007 (B)		Fluctuation (B)-(A)	(Reference) As of June 30, 2006	
	Amounts	Ratio	Amounts	Ratio		Amounts	Ratio
(Assets)							
I Current assets							
1 Cash and deposits	194,278		189,718		(4,560)	155,360	
2 Accounts receivable-trade	81,954		100,694		18,739	65,587	
3 Marketable securities	55,586		60,468		4,882	35,334	
4 Other	142,304		130,281		(12,022)	90,501	
Total current assets	474,123	29.5	481,163	28.7	7,039	346,783	23.9
II Fixed assets							
1 Tangible fixed assets	219,227	13.6	226,230	13.5	7,003	212,471	14.7
2 Intangible assets	265,821	16.5	259,817	15.5	(6,003)	274,022	18.9
3 Investments and other assets							
(1) Investment securities	354,851		397,307		42,456	325,734	
(2) Recoverable accounts under production sharing	319,149		332,127		12,978	304,323	
(3) Other	36,397		46,101		9,704	40,979	
Less allowance for recoverable accounts under production sharing	(51,190)		(53,560)		(2,369)	(46,534)	
Less allowance for investments in exploration	(10,273)		(11,757)		(1,483)	(8,230)	
Total investments and other assets	648,934	40.4	710,219	42.3	61,285	616,273	42.5
Total fixed assets	1,133,982	70.5	1,196,267	71.3	62,284	1,102,767	76.1
Total assets	1,608,106	100.0	1,677,430	100.0	69,324	1,449,551	100.0
(Liabilities)							
I Current liabilities							
1 Accounts payable-trade	21,793		23,680		1,886	22,999	
2 Short-term loans	50,649		41,515		(9,133)	26,976	
3 Income taxes payable	85,143		102,419		17,275	95,114	
4 Other	108,661		114,120		5,459	90,167	
Total current liabilities	266,247	16.5	281,735	16.8	15,488	235,257	16.2
II Long-term liabilities							
1 Long-term debt	198,320		214,770		16,450	230,292	
2 Other	63,523		65,166		1,643	89,846	
Total long-term liabilities	261,843	16.3	279,936	16.7	18,093	320,138	22.1
Total liabilities	528,090	32.8	561,672	33.5	33,581	555,396	38.3
(Net assets)							
I Shareholders' equity							
1 Common stock	30,000	1.9	30,000	1.8	—	30,000	2.1
2 Capital surplus	418,491	26.0	418,491	24.9	0	415,892	28.7
3 Retained earnings	570,120	35.5	592,164	35.3	22,044	430,735	29.7
4 Treasury stock	(1,108)	(0.1)	(1,436)	(0.1)	(327)	(19,865)	(1.4)
Total shareholders' equity	1,017,503	63.3	1,039,219	61.9	21,716	856,762	59.1
II Valuation, translation adjustments and others							
1 Unrealized holding gain (loss) on securities	9,348	0.6	14,535	0.9	5,187	(6,875)	(0.5)
2 Unrealized gain from hedging instruments	17	0.0	14	0.0	(3)	—	—
3 Translation adjustments	2,025	0.1	1,790	0.1	(234)	1,026	0.1
Total valuation, translation adjustments and others	11,391	0.7	16,340	1.0	4,948	(5,849)	(0.4)
III Minority interests	51,121	3.2	60,198	3.6	9,076	43,242	3.0
Total net assets	1,080,016	67.2	1,115,758	66.5	35,742	894,154	61.7
Total liabilities and net assets	1,608,106	100.0	1,677,430	100.0	69,324	1,449,551	100.0

## (2) Condensed Consolidated Statements of Income

(Millions of yen, %)

Accounts	For the three months ended June 30, 2006 (A)		For the three months ended June 30, 2007 (B)		Fluctuation (B) - (A)	(Reference) For the year ended March 31, 2007	
	Amounts	Ratio	Amounts	Ratio		Amounts	Amounts
I Net sales	223,032	100.0	269,844	100.0	46,812	969,712	100.0
II Cost of sales	75,356	33.8	91,134	33.8	15,778	343,794	35.5
Gross profit	147,675	66.2	178,709	66.2	31,033	625,918	64.5
III Exploration expenses	5,997	2.7	2,958	1.1	(3,039)	17,688	1.8
IV Selling, general and administrative expenses	11,287	5.0	15,287	5.6	3,999	49,152	5.0
Operating income	130,390	58.5	160,464	59.5	30,073	559,077	57.7
V Other income	8,637	3.9	9,390	3.5	753	60,079	6.1
1 Interest income	2,903		2,688		(215)	12,843	
2 Equity in earnings of affiliates	412		648		235	1,349	
3 Foreign exchange gain	3,002		—		(3,002)	5,738	
4 Other	2,318		6,053		3,735	40,147	
VI Other expenses	6,209	2.8	12,597	4.7	6,387	32,893	3.4
1 Interest expense	2,733		3,192		458	12,389	
2 Provision for allowance for recoverable accounts under production sharing	726		1,826		1,100	6,176	
3 Foreign exchange loss	—		2,692		2,692	—	
4 Other	2,750		4,885		2,135	14,328	
Ordinary income	132,818	59.6	157,257	58.3	24,439	586,262	60.4
Income before income taxes and minority interests	132,818	59.6	157,257	58.3	24,439	586,262	60.4
Income taxes-current	107,110	48.0	116,448	43.2	9,337	432,894	44.6
Income taxes-deferred	(3,334)	(1.5)	(3,415)	(1.3)	(80)	(19,655)	(2.0)
Minority interests	3,282	1.5	5,678	2.1	2,396	7,932	0.8
Net income	25,760	11.6	38,545	14.3	12,785	165,091	17.0

## (3) Condensed Consolidated Statements of Cash Flows

(Millions of yen)

Accounts	For the three months ended June 30, 2006	For the three months ended June 30, 2007	(Reference) For the year ended March 31, 2007
	Amounts	Amounts	Amounts
I Cash flows from operating activities			
Income before income taxes and minority interests	132,818	157,257	586,262
Depreciation and amortization	6,608	8,652	30,599
Amortization of goodwill	1,736	1,541	6,977
Provision for allowance for recoverable accounts under production sharing	1,441	2,384	6,080
Interest and dividend income	(4,086)	(3,903)	(15,134)
Interest expense	2,733	3,192	12,389
Foreign exchange loss (gain)	(1,649)	3,323	(1,652)
Equity in earnings of affiliates	(412)	(648)	(1,349)
Accounts receivable-trade	6,016	(18,809)	(10,385)
Recovery of recoverable accounts under production sharing (capital expenditures)	23,362	18,593	105,949
Recoverable accounts under production sharing (operating expenditures)	(3,988)	(3,027)	(18,955)
Other	(2,696)	13,793	(37,220)
Subtotal	161,883	182,348	663,561
Interest and dividends received	4,039	3,980	20,559
Interest paid	(1,958)	(2,929)	(11,993)
Income taxes paid	(97,826)	(99,975)	(440,146)
Net cash provided by operating activities	66,137	83,424	231,981
II Cash flows from investing activities			
Proceeds from sales of marketable securities	12,143	9,156	23,643
Payments for purchases of tangible fixed assets	(10,774)	(11,902)	(37,844)
Proceeds from sales of tangible fixed assets	110	25	955
Payments for purchases of investment securities	(26,420)	(49,588)	(109,823)
Proceeds from sales of investment securities	8,523	104	43,609
Investment in recoverable accounts under production sharing (capital expenditures)	(28,484)	(28,559)	(111,313)
Other	(1,214)	17,232	(18,469)
Net cash used in investing activities	(46,116)	(63,530)	(209,243)
III Cash flows from financing activities			
Proceeds from long-term debt	9,750	12,405	30,083
Repayments of long-term debt	(4,890)	(13,606)	(38,661)
Cash dividends paid	(10,783)	(16,501)	(10,791)
Stock transfer payment	(867)	—	(867)
Other	62	1,411	34,031
Net cash (used in) provided by financing activities	(6,727)	(16,290)	13,793
IV Effect of exchange rate changes on cash and cash equivalents	(1,359)	3,975	1,741
V Net increase in cash and cash equivalents	11,934	7,579	38,273
VI Cash and cash equivalents at beginning of the period	151,143	189,416	151,143
VII Cash and cash equivalents at end of the period	163,077	196,996	189,416

5. Production, orders received and sales performance

(1) Actual production

The following table shows actual production by business segment:

Business segment	Category	For the three months ended June 30, 2006	For the three months ended June 30, 2007	(Reference) For the year ended March 31, 2007
Crude oil and natural gas	Crude oil	21 MMbbls (232 Mbbls per day)	23 MMbbls (250 Mbbls per day)	89 MMbbls (243 Mbbls per day)
	Natural gas	85 Bcf (935 MMcf per day)	99 Bcf (1,083 MMcf per day)	384 Bcf (1,051 MMcf per day)
	Subtotal	35 MMboe (388 Mboe per day)	39 MMboe (431 Mboe per day)	152 MMboe (418 Mboe per day)
	Petroleum products	60 Mkl (376 Mbbls)	50 Mkl (314 Mbbls)	243 Mkl (1,531 Mbbls)
	Iodine	133 tons	126 tons	534 tons
	Electric power generation	— millions kWh	20 millions kWh	— millions kWh

- Notes:
1. The volume of LPG produced overseas is included in 'Crude oil'. On the other hand, the amount of LPG produced in the domestic refinery is included in 'Petroleum Products.'
  2. A portion of crude oil production volume is consumed as material for petroleum products.
  3. A portion of crude oil and natural gas production volume is consumed as fuel to generate electricity.
  4. The production by the Company's affiliates accounted for by the equity method is included in the figures above. Also the production volume is a result for the three months ended June 30 regardless of a closing date on the basis of fiscal periods of its subsidiaries or affiliates.
  5. The production volume of crude oil and natural gas under the production sharing contracts entered by INPEX Holdings Group corresponds to the net economic take of our group.  
Figures calculated by multiplying the gross production volume by our company's interest share are 27 MMbbls (299 Mbbls per day) of crude oil, 167 Bcf (1,835 MMcf per day) of natural gas, and in total 55 MMboe (605 Mboe per day).
  6. Boe means barrels of oil equivalent.
  7. The volume of petroleum products is converted to bbl in parenthesis. Applied coefficient is 6.29 bbls per kl.
  8. Iodine is refined on consignment by another company.
  9. Figures are rounded to nearest whole number.

(2) Orders received

This information is not disclosed since the amount of orders received accounted for a minor portion of total sales. In addition, there is no production for orders received in crude oil and natural gas business.

(3) Actual sales

- a) In principle, we take back the full amount of crude oil allocated to us under production sharing contracts and produced under concession agreements, and primarily sell it to Japanese refineries. We sell natural gas produced in Indonesia in the form of LNG to Japanese power companies and city gas companies through PERTAMINA and also sell a part to customers in South Korea, Taiwan and other countries. In addition, we sell natural gas produced in Japan to customers using our pipeline.
- b) Sales by business segment during each period were as follows:

(Millions of yen)

Business segment	Category	For the three months ended June 30, 2006		For the three months ended June 30, 2007		(Reference) For the year ended March 31, 2007	
		Crude oil and natural gas	Crude Oil	18,656 Mbbls	141,316	21,924 Mbbls	177,321
Natural Gas	83 Bcf		75,724	99 Bcf	86,767	366 Bcf	332,937
	LPG: 356 Mbbls			LPG: 380 Mbbls		LPG: 1,351 Mbbls	
Others	5,569		5,301		25,782		
Subtotal	222,610		269,390		966,119		
Other	421		453		3,593		
Total	223,032		269,844		969,712		

- Notes: 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 three months ended March 31, 2007 except those subsidiaries prepared their financial statement 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 nearest whole number.

[Supplemental materials]

1. Condensed Consolidated Statements of Income of INPEX CORPORATION

(Millions of yen)

Accounts	For the three months ended June 30, 2006	For the three months ended June 30, 2007	Fluctuation (B)-(A)
	(A)	(B)	(B)-(A)
	Amounts	Amounts	Amounts
I Net sales	203,372	241,562	38,189
II Cost of sales	67,391	81,942	14,551
Gross profit	135,981	159,620	23,638
III Exploration expenses	5,948	1,575	(4,373)
IV Selling, general and administrative expenses	4,395	7,924	3,529
Operating income	125,637	150,120	24,482
V Other income	7,095	4,170	(2,924)
1 Interest income	2,817	2,532	(285)
2 Equity in earnings of affiliates	329	308	(21)
3 Foreign exchange gain	3,045	—	(3,045)
4 Other	901	1,330	428
VI Other expenses	5,357	11,693	6,335
1 Interest expense	2,531	2,957	426
2 Provision for allowance for recoverable accounts under production sharing	603	1,164	561
3 Foreign exchange loss	—	3,101	3,101
4 Other	2,222	4,469	2,247
Ordinary income	127,375	142,598	15,222
Income before income taxes and minority interests	127,375	142,598	15,222
Income taxes-current	103,837	109,876	6,038
Income taxes-deferred	(4,012)	(3,725)	286
Minority interests	3,190	4,710	1,519
Net income	24,359	31,737	7,377

## 2. Condensed Consolidated Statements of Income of Teikoku Oil Co., Ltd.

(Millions of yen)

Accounts	For the three months ended June 30, 2006 (A)	For the three months ended June 30, 2007 (B)	Fluctuation (B)-(A)
	Amounts	Amounts	Amounts
I Net sales	24,194	40,743	16,549
II Cost of sales	12,489	21,662	9,172
Gross profit	11,704	19,081	7,376
III Exploration expenses	48	1,383	1,334
IV Selling, general and administrative expenses	5,367	5,836	468
Operating income	6,288	11,861	5,573
V Other income	1,756	5,913	4,157
1 Interest income	86	133	47
2 Equity in earnings of affiliates	82	340	257
3 Foreign exchange gain	—	408	408
4 Other	1,586	5,030	3,444
VI Other expenses	625	1,296	670
1 Interest expense	202	241	39
2 Provision for allowance for recoverable accounts under production sharing	122	661	539
3 Other	300	392	91
Ordinary income	7,418	16,479	9,060
VII Special income	—	2	2
1 Reversal of allowance for doubtful accounts	—	2	2
VIII Special loss	—	15	15
1 Loss on the sales of tangible fixed assets	—	15	15
Income before income taxes and minority interests	7,418	16,466	9,047
Income taxes-current	3,267	6,558	3,290
Income taxes-deferred	747	311	(435)
Minority interests	92	968	876
Net income	3,311	8,628	5,317