

Preface

The current INPEX was created on October 1, 2008. It has worked hard to drive key projects seamlessly both in Japan and abroad, and to achieve the important goals set during the business integration, while maximizing the synergies of a smooth integration of the former INPEX and Teikoku Oil.

The greatest of those goals, and the shared dream was to establish itself as a competitive E&P company, capable of self-sustained growth on the world stage. To achieve that goal, we determined to develop our capabilities, experience and human resources through materializing the Ichthys and Abadi projects as the operator.

In this respect, the Ichthys Project is of particular note throughout the first ten years of the current INPEX. Making the final investment decision (FID) after overcoming many obstacles, production finally started. The journey was exciting but also a full of difficulties.

With the LNG plant site unavoidably changed to Darwin, 900 kilometers away from the production facility, work had proceeded at a steady pace to create development plans, sign engineering, procurement and construction (EPC) contracts, and obtain environmental approvals and licenses. At the same time, other work focused on to solidify the company's financial position through a capital expansion of ¥500 billion, raising project financing of ¥2 trillion, and finalizing long-term sales contracts for 8.4 million tons of LNG, after which the long-anticipated FID was made in January 2012.

Another important goal was to create a stable gas supply chain by connecting LNG from the company's Ichthys and other projects to its own gas supply infrastructure in Japan. In August 2008, just prior to full integration, construction of the Naoetsu LNG Terminal was decided, with construction of the Toyama Gas pipeline beginning in April 2012. By connecting the highly cost-competitive Minami-Nagaoka Gas Field to one of Japan's greatest high-pressure pipeline networks stretching 1,400 kilometers, they created an important piece of supply infrastructure for domestic gas and overseas LNG that enabled growth and new development of the company's domestic gas supply business.

In light of the progress made toward achieving these goals, INPEX was expected to deliver clear long-term corporate strategy to investors and other stakeholders. As a response, INPEX announced Medium- to Long-term Vision in May 2012.

This included the basic goals of responsible management as a global company, enhanced HSE in operations, continuing enhancements to governance, creation of a vibrant organization,

development of global HR, and building of robust financial structures. It included efforts to bring all areas of business to levels appropriate for a global company.

It also included a business strategy that clarified three business pillars for INPEX through the 2020s, and detailed a growth strategy and priority initiatives during development of the Ichthys Field. Going forward, INPEX management would progress in line with this Medium- to Long-term Vision.

With this in mind, the company actively focused on upstream businesses, including preparations for development of the Abadi Field, extension and expansion of the Abu Dhabi concession, development of the Kashagan Field, expansion of exploration operator activities, and acquisition of new assets.

In Japan, the company developed the Naoetsu LNG Terminal and Toyama Gas pipeline as part of efforts to expand its domestic gas supply business. With a focus on Ichthys, it also secured its own fleet of ships, including ownership of its first LNG tanker and chartering of other vessels. Operation has now begun and the company's gas supply chain is complete, with a view to further development going forward.

In what may be a new dawn, INPEX has launched into initiatives toward renewable energies, starting with solar power generation and geothermal power generation.

With oil prices reaching historical lows from the end of 2014, INPEX was under pressure to respond urgently and severely, with actions including reducing costs, reviewing investment programs, and reviewing its portfolio in order to strengthen its business structure and improve business efficiencies. In fact, the company was experiencing the greatest changes to the business environment in its entire history. Incidentally, it was at this time that production from the Attaka, Mahakam and other concessions, which had underpinned growth for the company for 40 years, started to decline. Therefore, fiscal 2014 and onward represented difficult times for business performance.

Looking back over the past ten years, INPEX has faced numerous major challenges over what feels like the most difficult of journeys. During this period, INPEX has remained focused on becoming a global operator and has made great strides in responding to the many different experiences it faced, including developing HSE-related systems under the "safety first" motto, overall planning and process management, procuring and contracting materials and insurances, securing and managing human resources and finances, and the legal system.

At the same time, the company went through a decade of

upheaval, experiencing firsthand how much the business environment could change over a short period of time and how important an agile and flexible response is to things like changing energy supply/demand structures with the arrival of shale oil and other energies, the climate change problem, the growth in renewable energies, tighter corporate governance and the flow of ESG investments.

The long-awaited Ichthys production came online last year. But INPEX has experienced big developments on the business front over the past ten years. Upstream business production volume increased from about 400,000 to about 500,000 barrels per day, with the Ichthys Field growing to a point where it could achieve 700,000 barrels per day at plateau production. With confirmed reserves mainly in the Ichthys and Abu Dhabi assets growing from 1.6 billion BOE to 3.6 billion BOE (crude oil equivalents), the company's business infrastructure has been enhanced enormously. Together, the start of full production at Kashagan, the expansion of the Abu Dhabi concession, and the start of production at Ichthys have enhanced the company's portfolio. And in Japan, long-term production systems have been strengthened at the Minami-Nagaoka Gas field.

INPEX has expanded its domestic gas supply infrastructure to the two billion cubic meter level, with plans to further expand to 2.5 billion cubic meters in the near future. At the same time, it is developing renewable energies as a business through geothermal power generation at Sarulla, and progress toward geothermal and wind power generation.

Next for INPEX is large-scale development of the Abadi Gas Field. Utilizing the accomplishments of the past 10 years to enable its next stage of growth in line with a new growth vision, and leveraging those difficult experiences in future opportunities, INPEX will push through these changing times as it continues to advance as a global company.

The following pages detail the growth and experience trajectory of INPEX over these past ten years.

For the sake of convenience, all timeline references to actions of the company's predecessors will be referred to as being taken by INPEX.

2008

- Oct Three companies merged to establish INPEX CORPORATION
- Nov Acquired interest in the Block BM-C-31, Campos Basin, offshore Brazil
- Nov Acquired the Semai II Production Sharing Contract in the Seram Sea, offshore West Papua, Indonesia
- Dec Acquired 40% participating interest in the Block 18, Oriente Basin, onshore Ecuador



FPSO vessel at Frade Field

2009

- Jan Initiated FEED for Ichthys LNG Project LNG liquefaction plant
- Mar Acquired interests in the discovered but undeveloped area located close to the Van Gogh Oil Field offshore Western Australia
- Apr Opened Darwin Office in Australia
- Apr Completed Japan-GTL Demonstration Plant
- Apr Invested in ELIY Power Co., Ltd., which is planning mass production of high-capacity lithium-ion batteries
- Apr Initiated offshore FEED for Ichthys LNG Project production facilities



Train 1 and Train 2 at Tangguh LNG Terminal

- Jun Commenced crude oil production from the Frade Field, Campos Basin, offshore Brazil
- Jul Lifted first cargo from Tangguh LNG Project in Indonesia
- Aug Commenced construction of Naoetsu LNG Terminal
- Oct Completed Shin Oumi Line (68 kilometers between Tomioka, Joetsu City and Toumi, Itoigawa City)
- Oct Ceased production at Griffin oil fields located offshore Western Australia
- Nov Transferred partial interest in the Abadi field, Masela Block to PT EMP Energi Indonesia (EMPI)
- Dec Commenced crude oil production from the North Belut Gas Field in the South Natuna Sea Block B in Indonesia



Unloading berth at Tangguh LNG Terminal



Naoki Kuroda, then INPEX President, speaking at a party announcing completion of the Shin Oumi Line

Frade Field offshore Campos, Brazil commences oil production

In June 2009, the Frade Field offshore of Campos, Brazil started producing oil. This was the first time a Japanese company had participated in a Brazilian petroleum upstream project that progressed to production. Discovered in 1986, the Frade Field is situated offshore in 1,050 to 1,300 meters of water, about 370 kilometers northeast of Rio de Janeiro.

With its Petroleum Law Revision of 1997, Brazil opened to foreign companies its upstream oil concessions that had previously been exclusive domain of the country's national oil company Petrobras. In line with the INPEX strategy of gaining a foothold in Brazil through participation in upstream projects, the company took part in an international bidding process conducted by Petrobras in July 1999. At that time, the Frade Field was in the exploration and evaluation stage, and was successful in acquiring the Frade Field concession interest. INPEX is participating in this project through Frade Japão Petróleo Limitada (FJPL), which holds 18.3% interest. FJPL is a Brazilian subsidiary of INPEX Offshore North Campos, Ltd.,

whose shareholders are INPEX, Sojitz Corporation and Japan Oil, Gas and Metals National Corporation (JOGMEC). With Chevron as operator (participating interest of 51.7%), FJPL (18.3%) is partnering with Petrobras (30%) in development and production from this project.

This field was developed on the concept of tying back the subsea wells to a floating production, storage and offloading (FPSO) vessel. The final investment decision (FID) for the Frade Field was obtained in June 2006, with production starting in June 2009. Due to small oil seeps, the project partners voluntarily suspended production temporarily in March 2012, but safely resumed oil production in April 2013.

Tangguh LNG Project commences LNG shipment

In July 2009, the Tangguh LNG Project lifted the first cargo from the LNG production and offloading facility in the Bintuni Bay, West Papua Province, Indonesia. The project moved to full-scale operations in the short period of four years and four months from the final investment decision (FID) in March 2005. It was a tremendous result considering the scale

of the project as well as geographical challenges of project development in such a remote location.

The Tangguh LNG Project is composed of three Blocks: Berau, Wiriagar and Muturi, located between Berau Bay and Bintuni Bay in Bintuni, in the Indonesian province of West Papua. As a result of exploration carried out since the mid-1990s, giant gas fields straddling these three Blocks were identified. In 1997, President Suharto named this large LNG project "Tangguh" as the third major LNG project following Arun and Bontang. INPEX acquired a 16.30% participating interest in this project in October 2001 through MI Berau, a company jointly established with Mitsubishi Corporation (INPEX net 7.17%). INPEX later acquired a further stake, increasing its net interest to 7.79%. Joint venture partners in this project are the operator BP (40.2%), CNOOC (13.9%), Nippon Oil Exploration (Berau) (12.2%), KG Berau Petroleum (8.6%), LNG Japan Corporation (7.3%), and KG Wiriagar Petroleum (1.4%).

The Tangguh LNG Project obtained approval from the Indonesian government in January 2005 for the development

plan with total annual LNG production capacity of 7.6 million tons through trains 1 & 2. FID was made in March 2005 and went on to ship the first LNG cargo in 2009. In July 2016, the project made FID for the development of a third train to develop the huge amount of recoverable reserves and increase the value of the project. Development work is currently progressing toward the planned start of production in 2020. After the startup of train 3 for production, the annual LNG production capacity will increase to 11.4 million tons and it will be one of the world's largest LNG projects.

INPEX discontinues oil production at Griffin oil fields offshore Western Australia

In October 2009, the Griffin oil fields in the WA-10-L production license region offshore Western Australia, with INPEX involvement through its subsidiary INPEX Alpha, ceased production. This was the first project in Australia that INPEX, as a Japanese company, became involved from exploration through oil field discovery, development and production. It was also a major project that gave INPEX an opportunity for



GRIFFIN VENTURE, the FPSO vessel used for offshore processing and storage of oil from the Griffin oil fields

full participation in oil and gas exploration and development in Australia.

The Griffin oil fields consisted of three fields, the Griffin, the Chinook and the Scindian. They were located about 62 kilometers off the coast of Western Australia in the Carnarvon Basin and in a water depth of about 130 meters. Discovered in 1989 and 1990, the fields started production in January 1994. After processing and storage on an FPSO vessel, the oil was off-loaded to tankers, and gas was pumped through a 70-kilometer subsea pipeline for sale within Australia. With a 20% participating interest in the project, INPEX Alpha worked on production with the operator BHP Billiton (45%) and ExxonMobil (35%).

The fields were producing about 80,000 barrels of oil per day at peak. However, through natural depletion the volume dropped to less than 4,000 barrels per day until 2009 when production finally ceased. The fields produced a total of 178 million barrels of oil equivalent.

- Jan Received regasified LNG from Shizuoka Gas Co., Ltd.
- Jan JODCO exhibited at the 3rd World Future Energy Summit 2010 (Abu Dhabi) with the main theme of renewable energy
- Feb Commenced CO₂-EOR joint study with JOGMEC in Abu Dhabi
- Feb Commenced crude oil production from the Van Gogh Oil Field, offshore Western Australia
- Feb Acquired interests in Block BM-ES-23 Espirito Santo Basin, offshore Brazil
- Feb Formulated the Corporate HSE Mid-Term Plan (Phase 1)
- Mar Obtained final approval for development plans for Chirag Oil Project of ACG Block, Caspian Sea, Azerbaijan
- Apr Obtained approval of development on the Kitan Oil Field Joint Petroleum Development Area, Timor Sea (JPDA06-105)
- May Signed Joint Venture Agreement for development in the Orinoco Oil Belt, Venezuela
- Jun Toshiaki Kitamura became the President & CEO
- Jul Decommissioned Offshore Iwaki Platform

- Jul Decided extension of Shin Tokyo Line (fourth phase) (between Takase, Tomioka City and Kamiyuzuka, Fujioka City)
- Jul Resolved to issue new shares and conduct a secondary offering of shares in order to fund Ichthys LNG Project development expenditures
- Aug Commenced demonstration tests with JGC and BASF of new technology to remove CO₂ from natural gas
- Aug Acquired participating interest in the Block 117, onshore Peru
- Aug Acquired interests in Nganzi Block, onshore D.R. Congo
- Aug Commenced crude oil production from the Ravensworth Field, offshore Western Australia
- Sep Sold Offshore Northwest Java and Offshore Southeast Sumatra interests to Pertamina
- Sep Acquired 15% participating interest in the Sebuku Block in Indonesia
- Oct Withdrew from the Azadegan development project in Iran
- Nov Released Invitation to Tender for the Central Processing Facility for Ichthys LNG Project



NINGALOO VISION, the FPSO vessel processing oil from the Van Gogh Oil Field and Coniston Oil Field



From left: Then Chairman Naoki Kuroda, President Toshiaki Kitamura and Vice Chairman Masatoshi Sugioka launching the new organizational structure in June 2010

INPEX commences oil production at multiple oil fields offshore Western Australia

In February 2010, INPEX started producing oil through its subsidiary, INPEX Alpha, at the Van Gogh Oil Field located in production license region WA-35-L offshore Western Australia. In August 2010, production also started from the Ravensworth Oil Field in the WA-43-L region. This was soon after production in the Griffin oil fields ceased in 2009, which was one of INPEX's core business activities in Australia.

Discovered in 2003, the Van Gogh Oil Field is located about 50 kilometers offshore Western Australia at a water depth of 400 meters. In 2007, development the field was decided with the concept of tying back the subsea wells to an FPSO vessel. INPEX Alpha has a 47.499% participating interest in this project, with the remaining 52.501% held by Apache Corporation (currently Santos) as the operator. In May 2015, the Coniston Oil Field located in the Coniston Unit, straddling the WA-35-L region where the Van Gogh Oil Field is located and the neighboring WA-55-L region, started production through the FPSO used at the Van Gogh Oil Field.

The Ravensworth Oil Field, also discovered in 2003, is located 45 kilometers offshore Western Australia but in a shallower depth of 210 meters. The decision to move to development was made in 2007. INPEX Alpha has a 28.500% participating interest in this project, with the operator BHP Billiton holding 39.999% and the remaining 31.501% held by Apache Corporation (currently Santos). The oil produced from the Ravensworth Oil Field is processed and offloaded at the FPSO operated in the neighboring WA-42-L production license area.

INPEX withdraws from Azadegan development project

The Azadegan Oil Field, a giant onshore oil field located about 80 kilometers west of Ahwaz, the capital of Iran's Khuzestan Province, was discovered in 1999. In 2000, the concession of Saudi Arabia held by Japan through Arabian Oil Company, Ltd. was expired. In reaction to this, the Japanese government was looking for a replacement concession in the Middle East to secure the country's energy security. In November 2000, on the occasion of Iranian President Khatami's visit to Japan, the

Nov Transferred partial interest (10%) in the Masela Block
 Nov Withdrew from the Block 18 without migration to service contract, onshore Ecuador
 Dec Released Invitation to Tender for Ichthys LNG Project onshore LNG facilities
 Dec Obtained approval for Abadi Gas field FLNG development plans



JODCO exhibiting at 3rd World Future Energy Summit 2010 in Abu Dhabi



Decommissioning work of platform at the Offshore Iwaki Gas Field

two governments signed a basic agreement giving Japan priority negotiation rights for the Azadegan development. At the time, INPEX had succeeded in acquiring a large concession in the Caspian Sea to add to its key assets in Indonesia and Australia. It set out to transform into a company capable of expanding globally and rank among the international oil companies of Europe and the US some day in the future. Therefore, it had decided that becoming an operator of one of the major oil field development businesses in the Middle East was an essential strategy for that goal. For this reason, it entered the contest as a private sector company and began serious negotiations with NIOC toward acquiring a concession. As a result of tough negotiations, in February 2004, INPEX and Naftiran Intertrade Co., Ltd (NICO), a subsidiary of NIOC, finally managed to sign a service agreement. It was called a “buyback” agreement regarding the evaluation and development of the Azadegan Oil Field with participating interests of 75% and 25% respectively. The contract for Azadegan Oil Field development adopts a two-stage concept. The full production level for stage 1 was expected to reach 150,000 barrels per day after 4 years and 4

months from the date of the contract, and the full production level for stage 2 was expected to reach 260,000 barrels per day after 8 years from the date of the contract.

Subsequently, in accordance with the basic development plan, oil reservoir evaluation work, basic design work on the facility, and development preparations were conducted. However, the project economics had turned for the worse since 2004 because the international situation surrounding Iran deteriorated and dramatic increases in steel market prices caused considerable increases in development costs. As a result, in October 2006, INPEX assigned 65% of its participating interest to NICO and transferred operatorship. Furthermore, the international situation continuously deteriorated, and sanctions against Iran by the US got tougher in particular. Therefore, investment to Iran became practically impossible. As a result, in October 2010, INPEX made an overall decision to withdraw from the project in light of discussions with relevant parties including the Japanese government.

As explained above, this project was a large project that was part of a planned strategy to advance further as a global

enterprise, with comprehensive support from the Japanese government, so having to withdraw halfway through was a regrettable result. Nevertheless, this project provided INPEX with first-hand experience of the changes in the external environment, such as oil prices, materials and equipment markets and international affairs, which are unavoidable when conducting upstream businesses. Since then, the useful experience and knowledge gained by INPEX through this episode has helped with other project management and risk management situations.

INPEX decommissions offshore Iwaki platform

In May 2010, INPEX started decommissioning the platform at its Offshore Iwaki Gas Field, located about 40 kilometers offshore of Naraha Town, in Fukushima Prefecture, Japan, at a water depth of 154 meters.

The Iwaki Gas Field was the first offshore gas field on the Pacific Ocean side in Japan. It was discovered in 1973 through joint exploration drilling by INPEX and Esso Exploration. The field produced gas and condensate for 23 years between the start of production in 1984 and 2007. For development of the gas field, it was taken into account that this area has severe weather and nautical conditions, and frequent earthquakes. Therefore, the facilities were designed and manufactured to withstand a 100-year weather event such as a typhoon with waves up to 20 meters and wind speeds up to 62 meters per second, and a 200-year earthquake event on the level of the Great Kanto Earthquake. Construction of the platform started in 1981. At a height of 247 meters from the ocean floor and with a total weight of 33,500 tons, the giant offshore facilities were completed in 1984. This was thanks to the superiority of Japan's industrial technologies. Drilling of the production well took about one year from its start in February 1984, which enabled gas production to start in July 1984. All gas and condensate produced in the gas field was transported to the Naraha Plant through a 40-kilometer long undersea pipeline for supply as a clean power generation fuel to the neighboring Hirono Thermal Power Station operated by Tokyo Electric Power Co., Inc. At the initial stage recoverable gas was estimated at 3.5 billion cubic meters. However, the reservoir turned out to be better than expected, delivering a total of 5.6 billion cubic meters of gas over its lifetime. After gas production ended in July 2007,

INPEX plugged and abandoned all production wells, and then started preparing for conductor pipe decommissioning, and platform decommissioning work that included washing clean the pipeline.

During platform decommissioning, a Sapura 3000 heavy lifting vessel was brought from Malaysia. One of only a few in the world, the floating crane has a lifting capacity of about 2,700 tons and comes equipped with hull thrusters to enable dynamic positioning. Work entailed (1) lifting and decommissioning the topside facilities, (2) truncation of the jacket legs 92 meters under the water surface, (3) lifting and decommissioning the two meter diameter main piles from the eight jacket legs, (4) pumping air into the upper jacket to create a buoyancy tank for lifting it and moving it for temporary placement on the ocean floor, and (5) pulling down the upper jacket to be used as a reef for fish. It was one of the largest steel platform decommissions globally. Therefore, the work required a range of technical challenges to be overcome and a high level of cooperation between the company and various contractors in Japan and overseas. In July 2010, the work was completed successfully ahead of schedule, and without any accident.

INPEX formulates Corporate HSE Medium-term Plan

INPEX Holdings, Inc. was established in April 2006 ahead of full integration. At the time, it determined that activities in line with an international standard HSE Management System (HSEMS) were essential for driving greater globalization of the company's E&P activities. So in June of that year, INPEX defined a new Health, Safety and Environmental (HSE) Policy for the whole Group. In 2007, it established the Corporate HSE Committee to discuss rules and requirements for building the HSEMS. It then formulated HSEMS rules covering all health, safety and environment initiatives to properly implement the commitment of the HSE Policy. Since then, INPEX has systematically focused on building its HSEMS while launching various initiatives for ongoing improvements to environmental and occupational safety and health aspects of operator projects.

Through this process, in February 2010, INPEX formulated its Phase 1 Corporate HSE Medium-term Plan (FY2010–2012) that aims to broaden HSE awareness and improve the level of HSE activities. The five objectives set in the plan

were (1) Enhance cooperation with HSE staff at Operational Organizations, (2) Improve capabilities of HSE staff through education and training, (3) Establish and achieve medium-term numerical targets, (4) Acquire HSE capabilities equal to the average level among International Oil Companies (IOCs), and (5) Contribute toward preventing global warming through greenhouse gas emission reductions and energy-saving measures. As a result, it succeeded in dramatically raising the level of HSE activities. They included application of the IFC performance standards and IFC guidelines to voluntary corporate standards, establishing the INPEX 7 Safety Rules, and holding HSE Meetings for HSE managers in Japan and overseas. And promotion of the system of HSE awards, development of systems for responding to large-scale oil spill, and development of earthquake response manuals in anticipation of a Tokyo inland earthquake were also included.

The Phase 2 Corporate HSE Medium-term Plan (FY2013–2015) established seven objectives to raise the company's level of HSE activities to a level equal to the IOCs 1st tier group. As a result, it succeeded in further raising its ability to execute HSE activities. Through this, voluntary standardization of Safety Cases and establishment of related management requirements through the creation of a new team specializing in Process Safety were achieved. In addition, dramatic improvement of LTIF and TRIR results, revision of emergency response procedures and a corporate crisis response manual through the adoption of an Incident Command System, and adoption of an HSE risk activity reporting system were also provided. In 2016, INPEX formulated a new Phase 3 Corporate HSE Medium-term Plan (FY2016-2020) that followed on from Phase 2. The eight objectives were established to rapidly yet steadily achieve HSE competencies on a level equal to the IOCs 1st tier group. Its eight objectives were (1) Reform the INPEX HSEMS in accordance with the newly released IOGP guidelines, (2) Enhance the HSE assurance and governance system by conducting risk-based audits and HSE reviews, (3) Enhance technical support using HSE resources, (4) Develop HSE activities reflecting worksite feedback, (5) Commit to major accident prevention by promoting Process Safety management, (6) Continue monitoring and evaluating LTIF and TRIR, (7) Improve emergency and crisis response capabilities, and (8) Drive forward management plans for reducing GHG



INPEX 7 Safety Rules

emissions. During FY2016, the company successfully shared HSE lessons on construction work by enhancing HSE technical support in Japan and overseas and holding HSE Forums. Such efforts contributed to achieving LTIF of 0.11 and TRIR of 0.97 which were the top 25% level of IOGP member companies; however, considering that both benchmarks started to show an increase in FY2017, enhanced efforts have been undertaken to ensure further improvements. In April 2017, INPEX revised its HSE Policy in line with this latest plan. Also, it once again declared that it would work to develop an HSE culture in which HSE is regarded as an indispensable factor in all areas of decision making, and that will be pursued on a daily basis. The company is now also actively involved in efforts to improve HSE performance across the whole Group, revise its HSEMS Manual, and expand the scope of HSE management to its domestic subsidiaries and others.

- Feb Acquired participating interest in the Walker Ridge 95/96/139/140 Blocks located in the Gulf of Mexico in the US
- Feb Confirmed gas and condensate in the Dai Nguyet structure in Blocks 05-1b & 05-1c, offshore southern offshore Vietnam
- Apr The Environment Safety Unit was renamed to the HSE UNIT
- May Opened Rio de Janeiro Office in Brazil
- May Decided investment of the Toyama Line (between Itoigawa City and Toyama City)
- Jun Final investment decision made on the Ruby gas field in the Sebuku Block in Indonesia
- Jun Agreed on joint geothermal energy development survey with Idemitsu Kosan Co., Ltd. in Hokkaido and Akita Prefecture
- Jun Decided purchasers for entire 8.4 million tons per annum of LNG from the Ichthys LNG Project



Recovery support activities for the Great East Japan Earthquake at Rikuzentakata City (September 2011)

INPEX joins Great East Japan Earthquake relief and recovery efforts

On March 11, 2011, a huge magnitude 9.0 earthquake occurred in the Pacific Ocean offshore of the Tohoku region in Japan, and with a powerful tsunami immediately afterward, 15,896 people died, and 2,537 people are still missing for as of June 10, 2018, according to the National Police Agency, resulting in massive damage and a large number of people lost their livelihood.

INPEX luckily escaped any human loss or serious property damage, but Fukushima Prefecture, with which INPEX had a long and deep relationship through production operations at its Offshore Iwaki Gas Field, severely damaged by the earthquake, tsunami and the effects of nuclear disaster after the earthquake. INPEX's business sites at Nagaoka City and Kashiwazaki City had previously experienced the Niigata Chuetsu Earthquake (2004) and Niigata Chuetsu Offshore Earthquake (2007), and the company was strongly aware of the necessity of prompt relief and support, so the following relief and recovery efforts were immediately implemented.

- Donation of 200 million yen, plus a further 4.8 million yen

- Jun Established the Health, Safety and Environmental Policy
- Jul Split the Technical Division Technology Development & Support Unit into Sub-surface Evaluation Unit and Field Development Unit
- Jul Obtained approval for the Ichthys LNG Project Environmental Impact Statement
- Jul Undertook legal restructuring and transferred Company assets related to the Ichthys LNG Project
- Oct Commenced crude oil production from the Kitan Oil Field, Joint Petroleum Development Area, Timor Sea (JPDA06-105)
- Nov Oil sheen occurred in the vicinity of the Frade field Campos Basin, offshore Brazil
- Nov Acquired 100% participating interest in the Babar Selaru Block, south offshore Indonesia



Provisional fumarolic testing of geothermal survey wells in the Oyasu area of Yuzawa City, Akita Prefecture (November 2017)

provided by INPEX Group executives and employees, to the affected areas through the Japan Red Cross

- Provision of essential household items, including drinking water, emergency food items, blankets and other relief goods to affected areas (Soma City, Fukushima Prefecture)
- Provision of petroleum products, refined and manufactured from domestic oil at an INPEX Group refinery to affected areas (Iwaki City and Soma City, Fukushima Prefecture) due to severe fuel shortages
- Provision of physical support such as restoration work of town gas supplies

In July 2011, INPEX set up a paid volunteer leave system to support volunteer activities in affected areas conducted by employees, with related transport and accommodation, as well as equipment, paid for by INPEX. In the same month, 31 employees participated in recovery work in the city of Rikuzentakata, Iwate Prefecture. Since then, and up until December 2016, 82 restoration and recovery activities have been conducted by INPEX employees, with participation by more than 700 people.

- Nov Held the first Environmental Meeting (on Nov 28 and 29)
- Nov Agreed in principle to acquire participating interest in the shale gas projects in the Horn River, Cordova and Liard basins, British Columbia State, Canada
- Dec Transferred partial participating interest in the Masela Block, Abadi Gas Field to a subsidiary of Shell
- Dec Agreement made with Osaka Gas Co., Ltd. for partial transfer of Ichthys LNG Project equity interest
- Dec Final investment decision made on the Coniston Unit located offshore Western Australia
- Dec Sold interests in the West Bakr block, Egypt
- Dec Joined United Nations Global Compact Initiative



Oil production started at the Kitan Oil Field

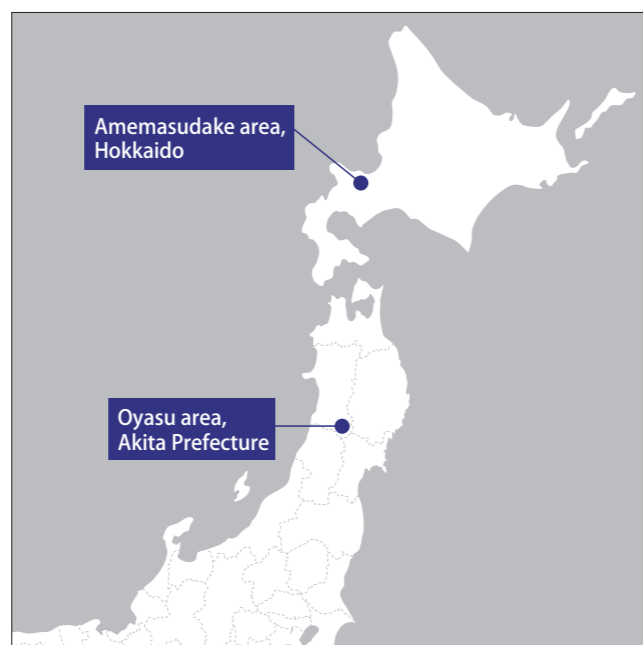


International symposium held as part of INPEX's endowed chair on Energy Security and the Environment at the University of Tokyo's Graduate School of Public Policy (November 2011)

INPEX launches joint study in preparation for first commercial geothermal power generation project

In June 2011, INPEX and Idemitsu Kosan Co., Ltd. agreed to conduct the joint study, namely a geothermal power generation feasibility study, in Amemasudake area (Akaigawa Village and Sapporo City) of Hokkaido and the Oyasu area (Yuzawa City) of Akita Prefecture. This was a major step towards realizing the basic INPEX strategy of Evolvement into a company that offers diversified forms of energy, established at the time of the business integration in 2008, INPEX had made its first inroads into the renewable energy business. INPEX adjudicated that the discovery of subsurface geothermal resources would allow the application of the technologies and knowledge, acquired over many years identifying and developing underground oil and gas resources, so it expected to realize strong synergies in this new endeavor.

New Energy and Industrial Technology Development Organization (NEDO) had already surveyed the Amemasudake and Oyasu areas to promote geothermal energy development, and had identified them as having high potential for



Sites of joint surveys on geothermal power generation

geothermal resources. Our initial surveying started in 2011, with surface study including geological survey, gravity survey and electro-magnetic survey. Then in July 2013, with the additional participation of Mitsui Oil Exploration Co., Ltd., the second stage began with drilling of geothermal exploratory wells to survey such things as geological structure, underground temperature and permeability of the reservoir. After that, the companies investigated commercialization, including flow test of exploratory wells at both sites.

From 2013, INPEX also started the joint study at the Bandaisan area and Azuma-Adatara area of Fukushima Prefecture as a member of the Fukushima Geothermal Project Team, a group of 11 Japanese companies, with a view to geothermal energy development.

Ichthys LNG Project finalizes sales agreements covering all LNG to be produced

In June 2011, the Ichthys Project Joint Venture reached agreements to enter into long-term sales contracts for liquefied natural gas (LNG) from the Ichthys LNG Project, which was required for development of Ichthys by INPEX as operator. The long-term sales contracts, running for 15 years from 2017, will supply 5 Buyer Consortium consisting of Tokyo Electric Power Co., Inc. (1.05 million tons per annum (mtpa), now JERA Co., Inc.), Tokyo Gas Co., Ltd. (1.05 mtpa), The Kansai Electric Power Co., Inc. (0.80 mtpa), Osaka Gas Co., Ltd. (0.80 mtpa), and Kyushu Electric Power Co., Inc. (0.30 mtpa), 2 Buyer Consortium consisting of Chubu Electric Power Co., Inc. (0.49 mtpa, now JERA Co., Inc.) and Toho Gas Co., Ltd. (0.28 mtpa), CPC Corporation, Taiwan (1.75 mtpa), Total and INPEX (0.90 mtpa each). Then from December 2011 to January 2012, the Ichthys Project Joint Venture signed legally binding Sales and Purchase Agreements with these 10 companies. The signing of these contracts meant the Project secured the sales of the total volume of the annual LNG production of 8.4 million tons.

This 8.4 mtpa of LNG is equivalent to over 10% of Japan's annual LNG import volume. Approximately 70% of this volume will be shipped to Japanese buyers, which means the Ichthys Project contributes to a stable energy supply to Japan. Securing buyers for the entire LNG production was originally expected to be difficult when INPEX started marketing in

2005. INPEX overcame such difficulty and achieved its target through combined efforts of people across the company.

Securing long-term buyers of entire LNG production from the Ichthys LNG Project was a big step forward in obtaining the FID.

- Jan Agreed with Toho Gas Co., Ltd. and Tokyo Gas Co., Ltd. for partial transfer of Ichthys LNG Project equity interest
- Jan Confirmed the final investment decision on Ichthys LNG Project
- Jan Acquired participating interest in the deepwater Blocks S and R, located offshore Sabah, Malaysia
- Mar Acquired Ichthys LNG Project production licenses
- Mar Agreed to acquire a 17.5% participating interest in the Prelude FLNG Project, offshore Australia
- Mar Established Japanese GTL (Gas to Liquid) technology in commercial scale
- Mar Suspended production after another seep occurred in the Frade field, Campos Basin, offshore Brazil

- Apr Established the GHG working group under the HSE committee
- Apr Adopted IFC Performance Standards and EHS Guidelines as Corporate voluntary standards
- Apr Started construction of Toyama Line (between Itoigawa City and Toyama City)
- May Formulated the Medium-to Long-term Vision of INPEX
- May Agreed partial transfer with Chubu Electric Power Co., Inc. (currently JERA Co., Inc.) for Ichthys LNG Project equity interest
- May Launched construction of the Ichthys LNG plant
- May Acquired 40% participating interest in Block 10 in Iraq
- Jun Established the New Ventures Division

- Jun Concluded an agreement for reciprocal backup supply of natural gas in emergencies with Tokyo Gas Co., Ltd. and Shizuoka Gas Co., Ltd.
- Jun Acquired 50% participating interest in the exploration block AC/P36, offshore Australia
- Jul Teiseki Propane Co., Ltd. and Tokyo Gas Energy CO., Ltd. were merged
- Jul Agreed partial transfer with TOTAL group companies for Ichthys LNG Project equity interest
- Aug Acquired a 40% participating interest in shale gas projects in the Horn River, Cordova, and Liard basins in British Columbia, Canada
- Aug Opened Calgary Office in Canada
- Aug Acquired a 7.2% participating interest in the Lucius project in the Gulf of Mexico in the US
- Aug Acquired a 9.99% indirect interest in Block 14, offshore Angola

- Aug Decided to construct the large-scale photovoltaic power generation system INPEX Mega Solar Joetsu in Joetsu City, Niigata Prefecture
- Aug Acquired next generation certification logo "Kurumin"
- Oct Established the INPEX Advisory Committee
- Oct Awarded offshore Exploration Blocks in the 27th Seaward Licensing Round in UK
- Nov Acquired 26% participating interest in the exploration block KG-DWN-2004/6 in the Bay of Bengal, India
- Nov Concluded a Service Contract for Exploration Block 10 in Iraq
- Dec Terminated the refining business at the Kubiki Refinery of Teiseki Topping Plant Co., Ltd.
- Dec Completed the Ichthys LNG Project financing arrangements
- Dec Added INPEX 7 Safety Rules to corporate voluntary standards
- Dec Completed fourth phase construction work for the Shin Tokyo Line extension



Ceremony marking the final investment decision (FID) for the Ichthys LNG Project



Prelude FLNG vessel departing for offshore production site



Production facilities at the Offshore Angola Block 14



Members of the INPEX Advisory Committee: (front row from left) Masayuki Yamauchi, Tsutomu Toichi, Kaori Kuroda and Kent Eyring Calder

Ichthys LNG Project announces financial investment decision (FID)

In January 2012, the final investment decision was obtained for the Ichthys LNG Project. With INPEX participating through one of its Australian subsidiaries, this was the first time for a Japanese company to lead an LNG development operatorship of this scale. The project would entail liquefaction of natural gas from the Ichthys Gas-condensate Field at an onshore gas liquefaction plant built at Darwin, producing and shipping 8.4 million tons of LNG annually, and 1.6 million tons of LPG. It would also produce and ship about 100,000 barrels of condensate per day (at its peak) from a floating production, storage and offloading (FPSO) facility and Darwin.

INPEX acquired this concession solely in 1998, after which it conducted test drilling as the operator and then discovered the Ichthys Gas-condensate Field in 2000. From that point, it spent over ten years on a range of work, starting from the basic front-end engineering and design (FEED) work for development, until reaching the most important milestone, the FID. The Ichthys LNG Projects is forecast to have a long

40-year production life, which puts it at the center of INPEX's medium- to long-term growth strategy. For Japan as well, the project is making an important contribution to energy stability.

The real engineering, procurement and construction (EPC) work—detailed design, materials procurement and construction—ahead of the start of production started after obtaining the FID. In May 2012, a groundbreaking ceremony was held for the onshore gas liquefaction plant on the outskirts of Darwin, after which full-scale construction work started for the plant. The many guests at the ceremony included dignitaries from the Australian Commonwealth Government, including Prime Minister Julia Gillard, Resources, Energy and Tourism Minister Martin Ferguson, and Northern Territory Chief Minister Paul Henderson; the Senior Vice Minister of Economy, Trade and Industry and the Japanese Ambassador to Australia from the Japanese Government; and many other dignitaries of companies related to the project.

INPEX acquires stake in Prelude FLNG Project

In March 2012, through its subsidiary INPEX Oil & Gas

Australia, INPEX agreed to acquire a 17.5% participating interest in the Prelude FLNG Project being developed by Royal Dutch Shell's subsidiary, Shell Development Australia (SDA), in the WA-44-L region offshore Western Australia. This was one of the world's first FLNG (floating liquefied natural gas) projects using a floating facility for gas liquefaction. In July 2011, INPEX selected Royal Dutch Shell as a strategic partner and hoped to acquire experience and knowledge about FLNG development for use in future LNG projects.

The Prelude FLNG Project consists of two gas fields located in Western Australia's WA-371-P region, acquired by Royal Dutch Shell in 2006, with the Prelude gas field discovered in 2007 and the Concerto gas field in 2009. FID was made in May 2011 with plans to develop and produce 3.6 million tons of LNG and 400,000 tons of LPG annually at peak, and 36,000 barrels of condensate per day at peak.

Participating interests in this project were divided between the operator SDA (67.5%), INPEX (17.5%), KOGAS (10%) and OPIC (5%).

In June 2017, the FLNG vessel—the most important

facility in the project—left South Korea where it was built and arrived at the site offshore Western Australia, and the Prelude gas field started production in December 2018 after a series of commissioning work.

INPEX acquires stakes in deepwater exploration blocks offshore Sabah, Malaysia

In January 2012, INPEX simultaneously acquired a 75% participating interest in deepwater Block S in Sabah, Malaysia, and a 37.5% participating interest in deepwater Block R, southwest of Block S, from Malaysia's national oil company, Petronas. Both blocks held promise for oil and gas discovery because they were located in the vicinity of large oil fields such as the Kikeh and the Gumusut fields. As INPEX's first operator project in Malaysia, INPEX Offshore North West Sabah worked closely with partner Petronas Carigali (PCSB), a subsidiary of Petronas, in the S Block region. Meanwhile, INPEX Offshore South West Sabah conducted exploration activities in Block R with the operator JX Nippon Oil & Gas Exploration (Deepwater Sabah) and PCSB.

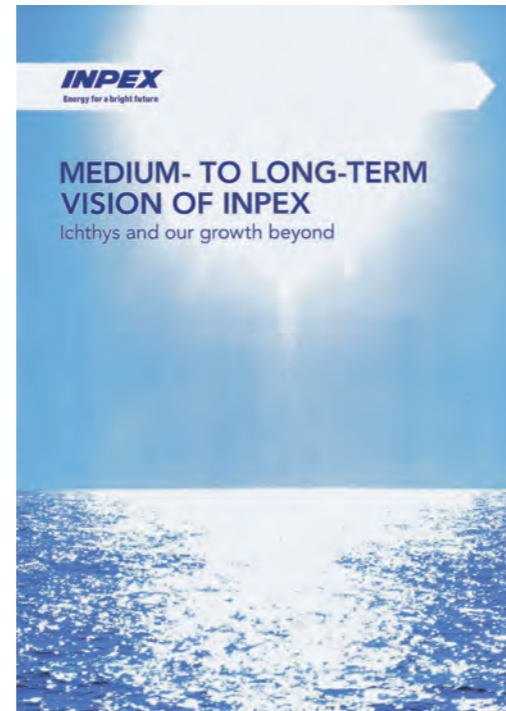
The companies conducted a three-dimensional seismic survey and other geological and geophysical studies on both blocks before drilling wildcat wells. They eventually withdrew from the S Block in 2016 after being unable to find oil or gas. They discovered several oil layers at the Bestari-1 exploration well, drilled in Block R in 2015, but withdrew from that also because the appraisal wells were unable to confirm if there were commercial quantities available in the reserves.

INPEX establishes MEDIUM- TO LONG-TERM VISION

In May 2012, INPEX established its MEDIUM- TO LONG-TERM VISION OF INPEX -Ichthys and our growth beyond. With the FID obtained for the Ichthys LNG Project in January of the same year, INPEX established the VISION to set targets for achieving sustainable growth over the medium-to long-term, and for clarifying key initiatives for the next five years leading up to the Ichthys startup.

The energy situation was changing rapidly and becoming more complex, so there was an acute awareness of a shift toward gas and renewable energies amid increasing demand for energy, partnerships and acquisitions within the energy development industry expanding dynamically, and the need to respond to the arrival of unconventional resources and issues surrounding safe operations and the global environment. To achieve continuous growth in this environment while focusing on the start of production at Ichthys, INPEX established concrete targets to achieve three growth targets in the 2020s. It also clarified concrete measures concerning priority initiatives for the following five years, and the necessary management policies, required for each target. By achieving these targets, INPEX would become a leading and internationally competitive oil and gas E&P company, while growing into an integrated energy company with natural gas at its core.

The three targets INPEX set itself were (1) Continuous



MEDIUM- TO LONG-TERM VISION OF INPEX -Ichthys and our growth beyond

enhancement of our E&P activities (1 million barrels per day by the early 2020s), (2) Strengthening our gas supply chain (domestic gas supplies of 2.5 billion cubic meters annually by the early 2020s and 3 billion cubic meters in the long term), and (3) Reinforcement of our renewable energy initiatives (research, development and commercialization targeting growth for the next generation). The three management policies INPEX wanted to develop were (1) Securing / developing human resources and building an efficient organizational structure, (2) Investment for growth and return for shareholders, and (3) Responsible management as a global company.

- Jan Launched construction of the central processing facility (CPF) of the Ichthys LNG Project in Geoje Island, Korea
- Feb Established the INPEX HR Vision
- Mar Awarded interests in the West Sebuku Block, South Makassar, offshore Indonesia
- Apr Formulated the Corporate HSE Mid-Term Plan (Phase 2)
- Apr Merged Teiseki Topping Plant Co., Ltd., and Teiseki Transport System Co., Ltd., and named the merged company INPEX Logistics (Japan) Co., Ltd.
- Apr Acquired 25% participating interest in the exploration block Area 2 & 5, offshore Mozambique
- Apr Obtained authorization for the restart of production activities at the Frade Field in Campos Basin, offshore Brazil
- Apr Start of operation of INPEX Mega Solar Joetsu
- May Acquired 30% participating interest in exploration block Area 15, Uruguay

- May Concluded a Cooperation Agreement for Magadan 2 and 3 blocks in the Sea of Okhotsk, Russia
- Jun Established Gas Supply & Infrastructure Division (Coordination & Administration Unit, Strategy & Planning Unit, Naoetsu LNG Terminal, Pipeline Operation & Maintenance Unit, and Toyama Pipeline Construction Office)
- Jun Decided to construct of new LNG vessels for Ichthys LNG Project
- Jun Succeeded in appraising the Dai Nguyet gas and condensate discovery in Blocks 05-1b and 05-1c offshore southern Vietnam
- Jun Acquired 100% interest in the exploration Block WA-494-P, offshore Western Australia
- Jun Started construction of Ichthys LNG Project FPSO facility in Okpo, Korea
- Jun Agreed to transfer part of the Ichthys LNG Project equity interest to CPC Corporation, Taiwan
- Jul Completed the construction of the pipeline connecting Naoetsu LNG Terminal with the existing pipeline network



TANGGUH FOJA, the first LNG tanker docked at the Naoetsu LNG Terminal



INPEX Mega Solar Joetsu

INPEX completes construction of Naoetsu LNG Terminal

In December 2013, INPEX held a completion ceremony for the Naoetsu LNG Terminal. This was the company's first LNG receiving facility built in Joetsu City, Niigata Prefecture. With the opening of this terminal, INPEX improved its domestic gas supply capacity and stabilized its supply system by mixing LNG produced overseas and gas produced in Japan from the Minami-Nagaoka Gas Field in Niigata Prefecture. This also further expanded its infrastructure to achieve its target of reinforcing the gas supply chain, one of the growth targets in INPEX's Medium- to Long-term Vision.

Japan's demand for gas was central to a transition away from petroleum-based fuels, and there were expectations that this transition would remain strong into the future. The FID for the Naoetsu LNG Terminal was made in August 2008 and actual construction commenced in August 2009. With construction proceeding smoothly, the first LNG tanker, the TANGGUH FOJA, docked in August 2013. After that, commissioning of the key facilities proceeded in turn and the terminal was opened on December 1, 2013, ahead of schedule. The

terminal includes two above-ground LNG tanks with storage capacity of 180,000 kiloliters, a berth which enables the large 210,000 cubic meter loading class Q-flex LNG tanker to dock, vaporizers and calorific value adjustment facilities. The terminal can supply enough gas to satisfy the annual gas needs of about five million households.

In 2016, cryogenic LPG facility was also completed in response to moves to adjust calorific values to 45 mega joules per cubic meter, and its operation is ongoing.

INPEX commences Mega Solar Joetsu photovoltaic power generation in Joetsu, Niigata

In April 2013, INPEX held a completion ceremony for INPEX Mega Solar Joetsu, the company's first photovoltaic power generation facility. It was also INPEX's first commercialization project related to its Medium- to Long-term Vision growth target of Reinforcement of our renewable energy initiatives.

INPEX used part (46,710 square meters) of the premises owned by its subsidiary INPEX Logistics (Japan) Co., Ltd. (INPEX Logistics) in Joetsu City, Niigata Prefecture. INPEX started installing the solar panels in October 2012, with a

- Jul Started drilling exploratory wells for geothermal energy development by geothermal power generation joint venture established with Idemitsu Kosan Co., Ltd.
- Jul Agreed to transfer part of participating interest in Block 31, offshore Suriname to Tullow Suriname B.V.
- Aug First LNG carrier arrived at Naoetsu LNG Terminal
- Sep Commenced crude oil production from the Kashagan field in the Caspian Sea, Kazakhstan
- Sep Fukushima Geothermal Project Team comprised of ten companies including INPEX commenced a joint survey for geothermal energy development at Bandaisan in Fukushima Prefecture
- Sep Participated in exploration projects in Irkutsk, Russia

- Oct Acquired additional exploration license in the 27th Seaward Licensing Round in UK
- Oct Commenced production from the Ruby gas field in the Sebuku PSC in Indonesia
- Nov Established the wholly owned subsidiary INPEX Energy Trading Singapore Pte Ltd.
- Dec Completed the Naoetsu LNG Terminal
- Dec Acquired 29.1667% participating interest on blocks in the Kanumas Area in the northeastern part of offshore Greenland, Denmark



OCEANIC BREEZE naming ceremony (October 2017)



Oil production started in the offshore production facilities at the Ruby Gas Field, Indonesia

maximum of approximately 2,000kW of electric generating capacity, and went on to start operation in April 2013.

Then in July 2015, second new photovoltaic power generation facility owned by INPEX Logistics commenced the commercial operations. With this, the total expected annual power generation capacity of the INPEX Mega Solar Joetsu project came to about 5.33 million kWh per year, which is equivalent to the annual power consumption of some 1,600 households.

When constructing the facility, a number of creative ideas were used to improve the power generating efficiency, including solar panels designed for snow bound region, and the foundations for the panels being increased in height to prevent accumulation of snow on the panels during winter.

Construction begins on LNG tankers to service Ichthys LNG Project

In June 2013, INPEX made a decision to build and charter its first LNG ship to transport 0.9 million tons of Ichthys LNG per annum to the INPEX Naoetsu LNG Terminal.

Built by Mitsubishi Heavy Industries, Ltd., the specification is 288 meters length of perpendicular, 49 meters breadth with a tank capacity of 155,300 cubic meters. The ship features continuous cover over Moss spherical tanks integrated with

the hull called “Sayaendo type.” The ultra-steam turbine plant achieves reduced transportation costs through a significant improvement in fuel efficiency. She is co-owned by INPEX SHIPPING and Kawasaki Kisen Kaisha Ltd. (“K” Line) for a time charter by INPEX SHIPPING. In October 2017 at the naming ceremony, she was named “OCEANIC BREEZE” by Toshiaki Kitamura, then president and CEO of INPEX, and she was delivered in April 2018.

In May 2013, IT Marine Transport Pte. Ltd, (ITMT), a joint venture with TOTAL, was established to transport 1.75 million tons of Ichthys LNG per annum, to be delivered to CPC Corporation, Taiwan, through time charter agreement with “K” Line.

Built by Kawasaki Heavy Industries, Ltd., this world’s largest Moss-type LNG ship’s specification is about 300 meters length of perpendicular, 52 meters breadth, with tank capacity of 182,000 cubic meters. The ship features a TFDE (Tri-Fuel Diesel Electric propulsion system, utilizing a diesel engine fueled by natural gas, marine diesel oil, or heavy fuel oil). This system achieves reduced transportation costs through high fuel efficiency. In September 2017 at the naming ceremony, she was named “PACIFIC BREEZE” by Jeng-Zen Fang, then vice president of CPC, and she was delivered in March 2018.