

## Financial results for the six months ended September 30, 2013

### Appendix

November 8, 2013

## Subsidiaries and Affiliates

### 61 consolidated subsidiaries

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

### 18 equity method affiliates

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

# Segment Information

For the six months ended September 30, 2013(April 1, 2013 through September 30, 2013)

(Millions of yen)

|                        | Reportable segments |                   |                              |                            |          |         | Adjustments<br>*1 | Consolidated<br>*2 |
|------------------------|---------------------|-------------------|------------------------------|----------------------------|----------|---------|-------------------|--------------------|
|                        | Japan               | Asia &<br>Oceania | Eurasia<br>(Europe &<br>NIS) | Middle<br>East &<br>Africa | Americas | Total   |                   |                    |
| Sales to third parties | 52,099              | 238,430           | 54,106                       | 300,879                    | 4,961    | 650,478 | —                 | 650,478            |
| Segment income (loss)  | 6,340               | 117,026           | 26,258                       | 203,715                    | (4,145)  | 349,195 | (4,961)           | 344,234            |

Note: 1. Adjustments of segment income of ¥(4,961) million include elimination of inter-segment transactions of ¥113 million and corporate expenses of ¥(5,074) million. Corporate expenses are mainly amortization of goodwill that are not allocated to a reportable segment and general administrative expenses.  
2. Segment income is reconciled with operating income on the consolidated Statements of Income.

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# LPG Sales

|  | Apr.-Sep. '12             | Apr.-Sep. '13        | Change                        | %Change                |
|--|---------------------------|----------------------|-------------------------------|------------------------|
| Net Sales (Billions of yen)                        | 14.4                      | 10.8                 | (3.6)                         | (25.1%)                |
| Sales volume (thousand bbl)                        | 2,154                     | 1,462                | (692)                         | (32.1%)                |
| Average unit price of overseas production (\$/bbl) | 80.80                     | 75.74                | (5.06)                        | (6.3%)                 |
| Average unit price of domestic production(¥/ kg)   | 119                       | 93                   | (5)                           | (21.7%)                |
| Average exchange rate (¥/\$)                       | 79.40                     | 97.84                | 18.44 yen depreciation        | 23.2% yen depreciation |
| Sales volume by region (thousand bbl)              | Apr.-Sep. '12             | Apr.-Sep. '13        | Change                        | %Change                |
| Japan  | 131<br>( 12 thousand ton) | 4<br>(0thousand ton) | (127)<br>(-12.1 thousand ton) | (97.2%)                |
| Asia/Oceania                                       | 2,023                     | 1,459                | (565)                         | (27.9%)                |
| Eurasia (Europe/NIS )                              | -                         | -                    | -                             | -                      |
| Middle East/Africa                                 | -                         | -                    | -                             | -                      |
| Americas   | -                         | -                    | -                             | -                      |
| Total  | 2,154                     | 1,462                | (692)                         | (32.1%)                |

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| (Millions of yen)   | Apr.-Sep. '12  | Apr.-Sep. '13  | Change       |  |
|---|----------------|----------------|--------------|--|
| Net income  | 111,382        | 80,080         | (31,301)     | P/L  |
| Minority interests  | 4,152          | 207            | (3,944)      | P/L  |
| Depreciation equivalent amount  | 55,652         | 58,241         | 2,589        |  |
| Depreciation and amortization   | 25,968         | 23,958         | (2,009)      | C/F Depreciation under concession agreements and G&A |
| Amortization of goodwill  | 3,380          | 3,380          | -            | C/F  |
| Recovery of recoverable accounts (capital expenditure)                    | 26,304         | 30,903         | 4,598        | C/F Depreciation under PS contracts                  |
| Exploration cost equivalent amount  | 9,580          | 17,714         | 8,134        |  |
| Exploration expenses  | 4,090          | 16,678         | 12,587       | P/L Exploration expense under concession agreements  |
| Provision for allowance for recoverable accounts under production sharing | 3,239          | 416            | (2,822)      | P/L Exploration expense under PS contracts           |
| Provision for exploration projects  | 2,251          | 620            | (1,630)      | P/L Exploration expense under PS contracts           |
| Material non-cash items   | 10,791         | 48,624         | 37,833       |  |
| Deferred income taxes   | 12,031         | 42,584         | 30,553       | P/L  |
| Foreign exchange loss   | (1,240)        | 6,040          | 7,280        | C/F  |
| Net interest expense after tax  | (1,686)        | (5,121)        | (3,435)      | P/L After-tax interest expense minus interest income |
| <b>EBIDAX</b>   | <b>189,871</b> | <b>199,745</b> | <b>9,876</b> |  |

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## Analysis of Recoverable Accounts under Production Sharing

| (Millions of yen)  |                           | Apr.-Sep. '12 | Apr.-Sep. '13 |
|--|---------------------------|---------------|---------------|
| Balance at beginning of period   |                           | 568,318       | 590,565       |
| Add:   | Exploration costs         | 7,143         | 15,462        |
|  | Development costs         | 61,196        | 84,414        |
|  | Operating expenses        | 25,472        | 35,242        |
|  | Other                     | 2,265         | 6,340         |
| Less:  | Cost recovery (CAPEX)     | 26,304        | 30,903        |
|  | Cost recovery (non-CAPEX) | 50,141        | 64,158        |
|  | Other                     | 26,678        | -             |
| Balance at end of period   |                           | 561,271       | 636,963       |
| Allowance for recoverable accounts under production sharing at end of period |                           | 100,801       | 119,248       |

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# Sales and Investment plan for the year ending March 31, 2014

**INPEX**

| Forecasts for the year ending March 31, 2014 |                                 | As of May 10, 2013                        | As of Nov. 7, 2013                        | Change                                   | Apr.-Sep. '13 (Actual)                  |
|--|---------------------------------|---|---|--|---|
| Sales Volume                                 | Crude oil (Mbbl) <sup>1</sup>   | 83,744                                    | 82,507                                    | (1,237)                                  | 40,578                                  |
|  | Natural gas (MMcf) <sup>2</sup> | 318,915                                   | 324,304                                   | 5,389                                    | 159,671                                 |
|  | Overseas                        | 251,589                                   | 258,290                                   | 6,701                                    | 130,276                                 |
|  | Japan                           | 67,326<br>(1,804 million m <sup>3</sup> ) | 66,014<br>(1,769 million m <sup>3</sup> ) | (1,312)<br>(-35 million m <sup>3</sup> ) | 29,395<br>(788 million m <sup>3</sup> ) |
|  | LPG (Mbbbl) <sup>3</sup>        | 2,211                                     | 2,881                                     | 670                                      | 1,462                                   |

【Reference】

| (Billions of yen)  |   |         |   |       |       |
|--|---|---------|---|-------|-------|
| Development expenditure <sup>4</sup>                             |   | 1,003.0 | 1,010.0   | 7.0   | 437.6 |
| Other capital expenditure  |   | 37.0    | 47.0  | 10.0  | 17.5  |
| Exploration expenditure  |   | 91.0    | 84.0  | (7.0) | 29.8  |
| Exploration expenses and Provision for explorations <sup>5</sup> | Exploration Cost 36.7<br>Provision for allowance for exploration 14.2 | 50.9    | Exploration Cost 32.2<br>Provision for allowance for exploration 14.3 | 46.5  | (4.4) |
| (Minority Interest Portion) <sup>6</sup>                         |   | 17.0    | 14.2  | (2.8) | 7.5   |

Note

1 CF for domestic crude oil sales and petroleum products : 1kl=6.29bbl

2 CF for domestic natural gas sales : 1m<sup>3</sup>=37.32cf

3 CF for domestic LPG sales : 1t=10.5bbl

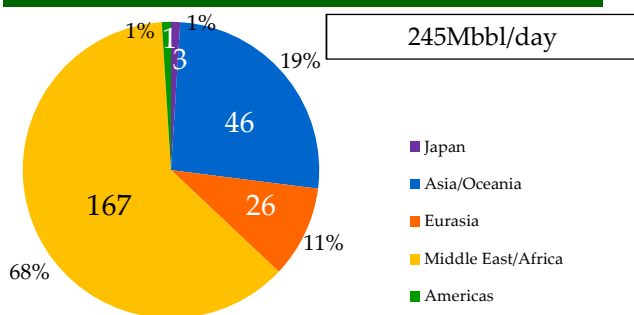
4 Development expenditure includes investment in 1dthys downstream

5 "Provision for allowance for recoverable accounts under production sharing" + "Provision for exploration projects"

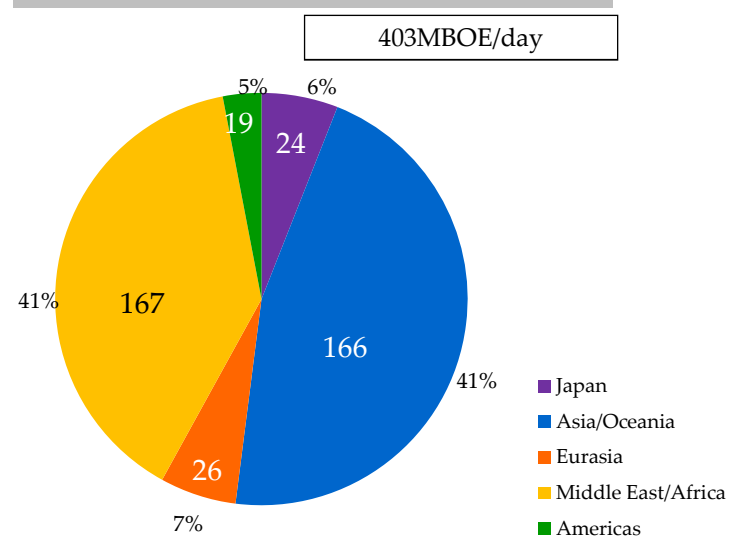
6 Capital increase from minority shareholders, etc.

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

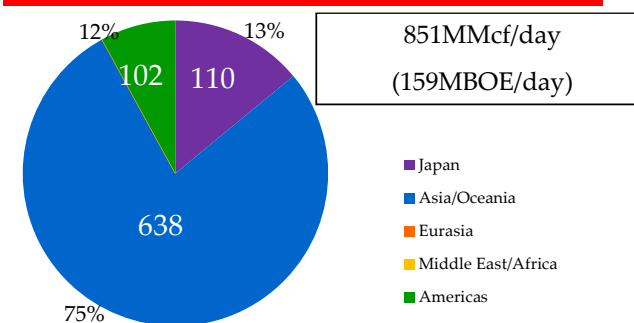
### Oil/Condensate/LPG



### Total

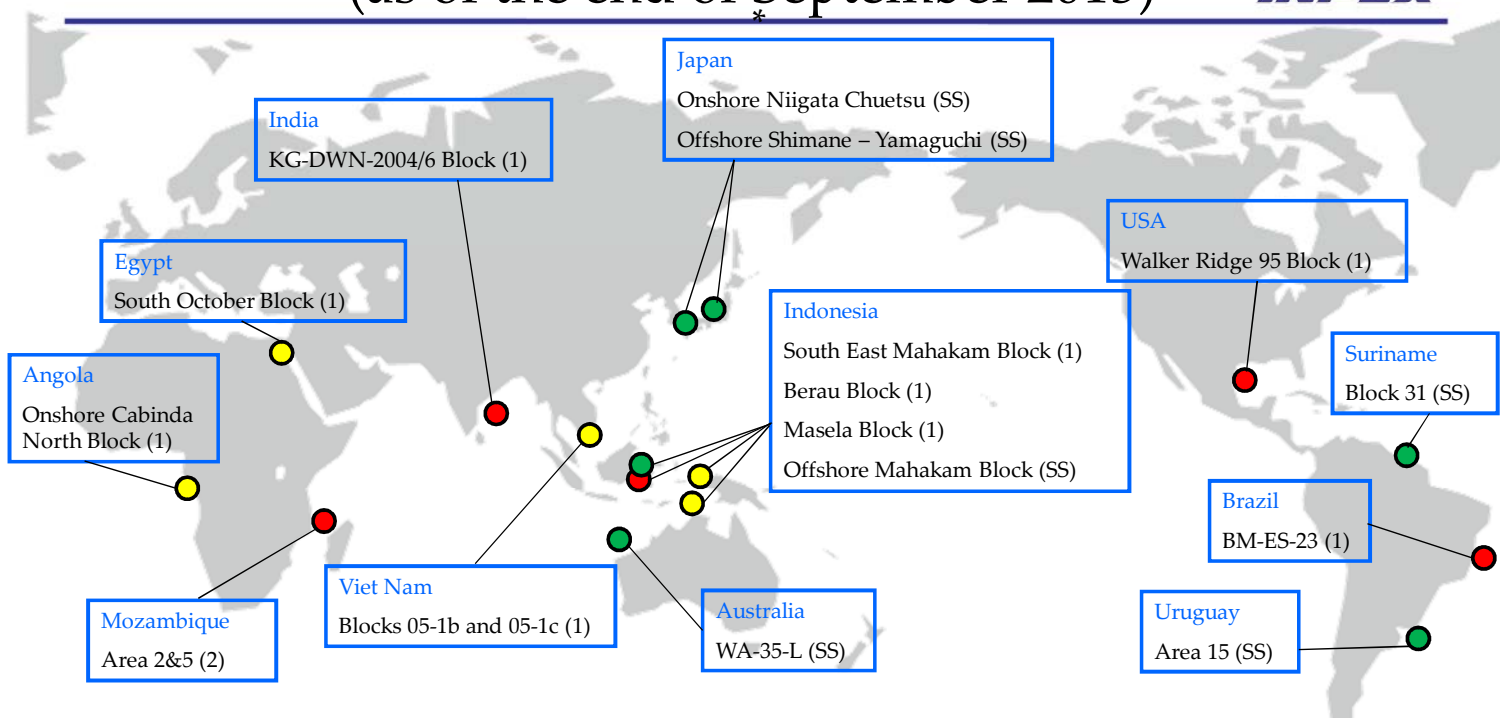


### Natural Gas



# Project Summary

## Exploration Work Programs (as of the end of September 2013)\*

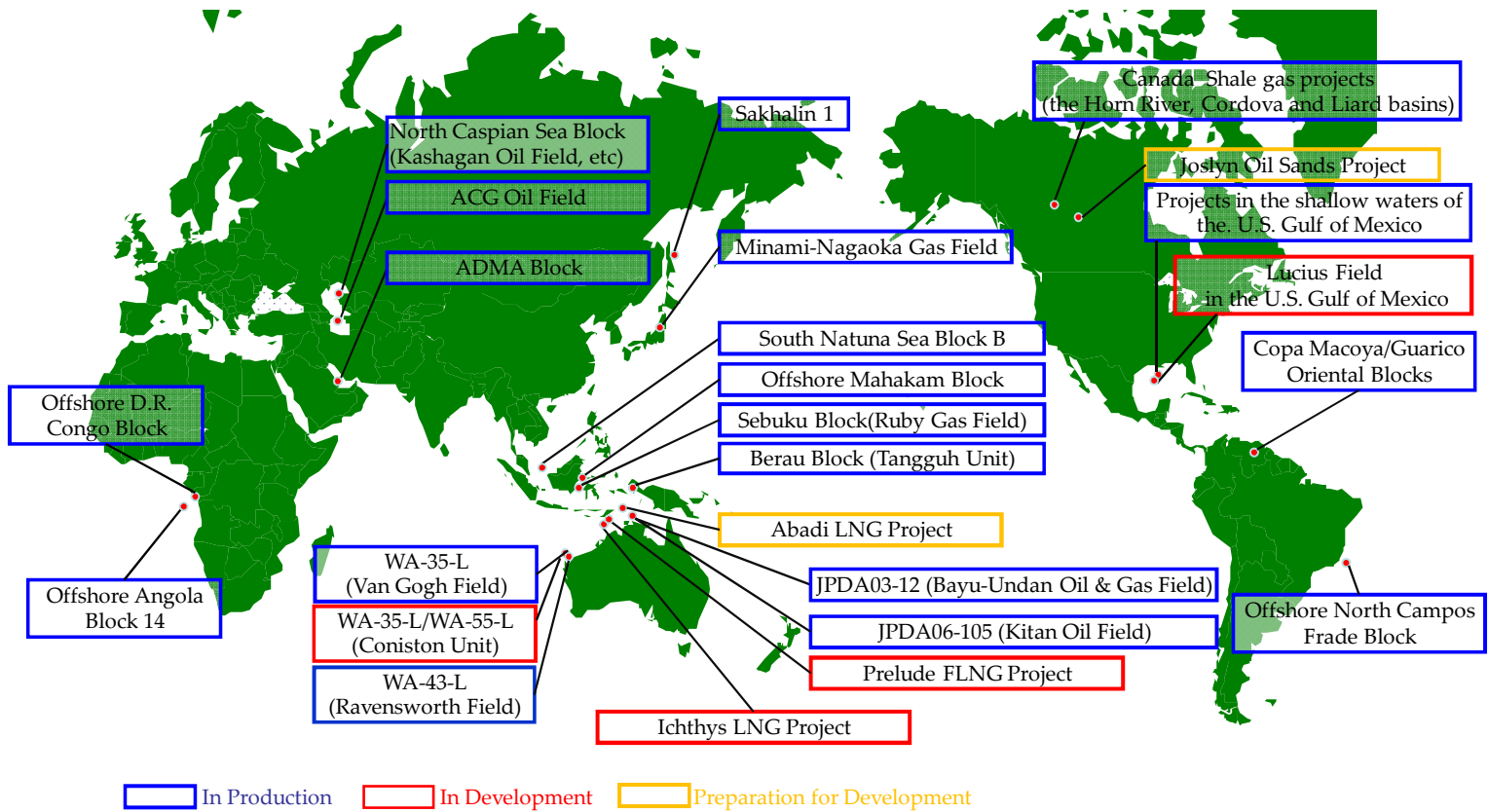


\* Number in () is the number of drilling wells

- Exploration Well
- Appraisal Well
- Seismic Survey (SS)

|                               | Exploration Expenditure (Billions of Yen) | Exploratory Well (well) | Appraisal Well (well) | Seismic Survey 2D (km) | Seismic Survey 3D (km <sup>2</sup> ) |
|-------------------------------|---|-------------------------|-----------------------|------------------------|--------------------------------------|
| Mar. '14 (E)                  | 91.0                                      | 17                      | 9                     | 100                    | 10,246                               |
| Completion or Under operation | 84.0                                      | 6                       | 5                     | 100                    | 8,046                                |

# Major Assets in Production & Development **INPEX**



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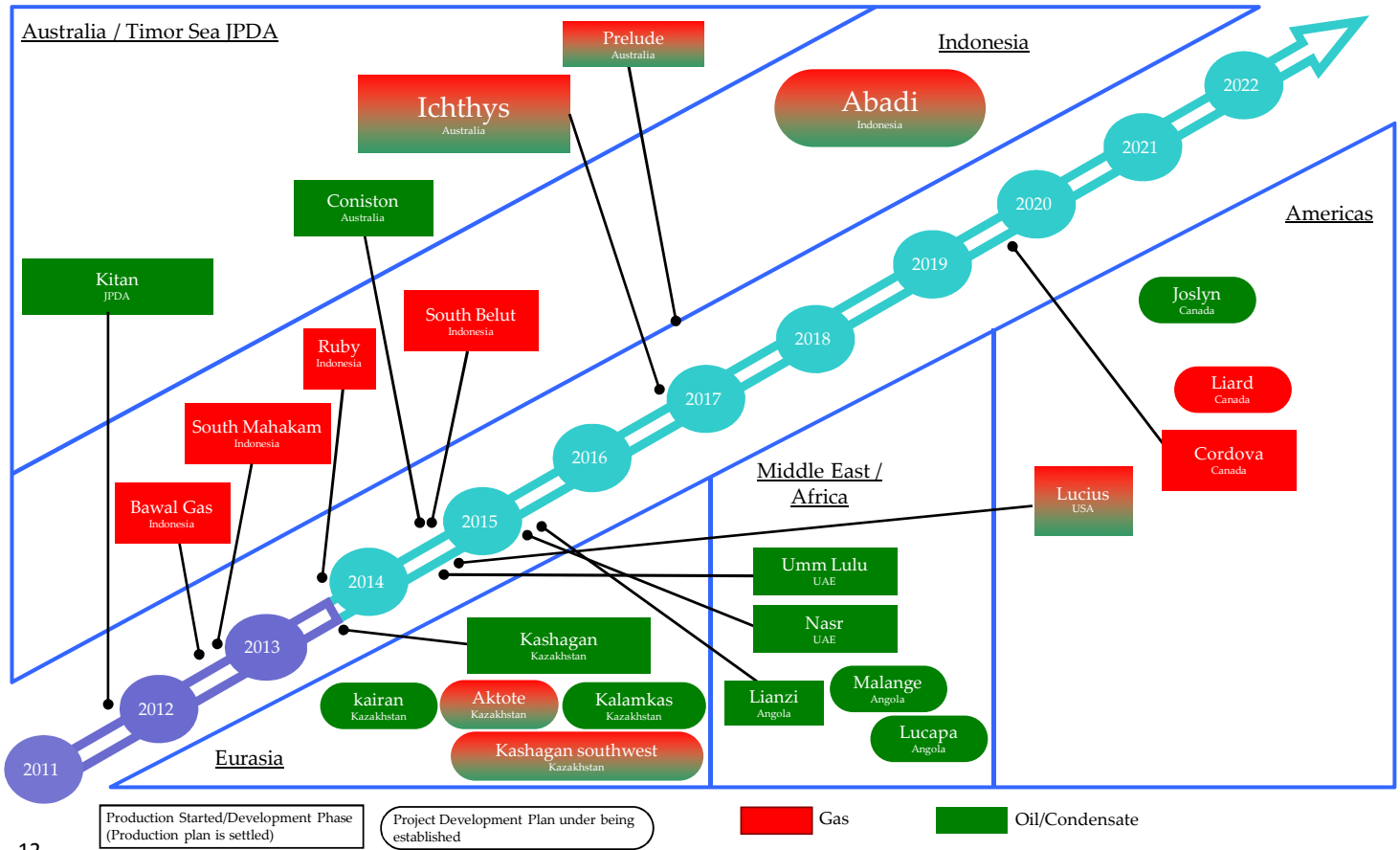
## Production Start-up Schedule (1/2) **INPEX**

| Production Start-up                      | Project/Oil & Gas Field  | Country   | Operator   | Peak Production / Production Capacity   | INPEX Share <sup>*1</sup>                                    |
|--|--|---|--|---|--|
| Fiscal 2013<br>(April 2013 - March 2014) | Kashagan Oil Field (Phase1)<br>Ruby Gas Field (Sebuku Block)   | Kazakhstan<br>Indonesia   | NCOC<br>PEARLOIL                                     | 370Mbb/d<br>100MMscf/d  | 7.56%<br>15%   |
| Fiscal 2014<br>(April 2014 - March 2015) | Umm LuLu, Nasr Oil Field<br>Coniston Unit<br>Lucius Field (Oil)<br>(Gas)<br>South Belut Gas Field(South Natuna Sea Block B)  | UAE<br>Australia<br>U.S.<br>Indonesia                             | ADMA-OPCO<br>Apache<br>Anadarko<br>ConocoPhillips    | - <sup>*3</sup><br>-<br>Approx. 80 Mbb/d<br>Approx. 450 MMscf/d<br><sup>*3</sup>  | 12.0%<br>47.499%<br>%<br>7.2%<br>35%                         |
| After April 2015                         | Lianzi Oil Field<br>Shale Gas Project (Cordova)<br>Ichthys LNG Project (LNG)<br>(LPG)<br>(Condensate)<br>Prelude FLNG Project (LNG)<br>(LPG)<br>(Condensate)<br>Abadi LNG Project (Stage 1) (LNG)<br>(Condensate)<br>Jostyn Oil Sands Project (Mining) | Angola<br>Canada<br>Australia<br>Australia<br>Indonesia<br>Canada | Chevron<br>Nexen<br>INPEX<br>Shell<br>INPEX<br>TOTAL | Approx. 20Mbb/d<br>Approx.1,250MMscf/d* <sup>*4</sup><br>8.4MMt/y<br>Approx. 1.6MMt/y<br>Approx. 100Mbb/d<br>3.6MM t/y<br>Approx. 0.4 MM t/y<br>Approx. 36 Mbb/d<br>2.5MMt/y<br>8,400bb/d<br>200Mbb/d | 9.99%* <sup>*2</sup><br>40%<br>66.07%<br>17.5%<br>60%<br>10% |
| Discovered/Production start-up (TBD)     | Kalamkas, Aktote, Kairan and Southwest Kashagan structures<br>Shale Gas Project (Liard)<br>Lucapa, Malange Oil Fields  | Kazakhstan<br>Canada<br>Angola                                    | NCOC<br>Nexen<br>Chevron                             | TBD<br>TBD<br>TBD   | 7.56%<br>40%<br>9.99%* <sup>*2</sup>                         |

<sup>\*1</sup> INPEX share is a participating interest. In the case of an equity method affiliate, multiplying the participating interest by INPEX controlling share.  
<sup>\*2</sup> INPEX share for the Lianzi Field is one-half of the mentioned share in this table since it belongs to the unitized area between Angola and R.O. Congo.  
<sup>\*3</sup> Nondisclosure because of confidentiality agreement with project partners  
<sup>\*4</sup> Peak Production combined from both Horn River and Cordova Areas

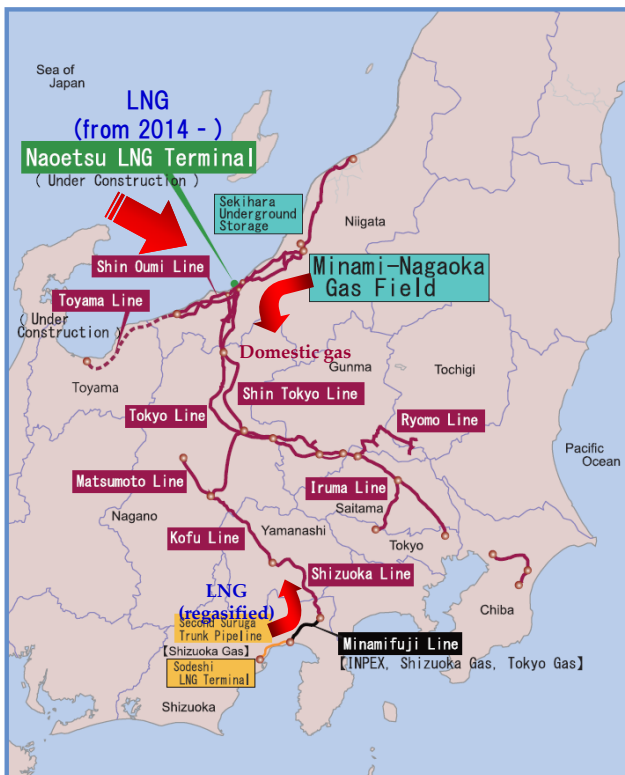
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# Production Start-up Schedule (2/2)



# Natural Gas Business in Japan

## INPEX CORPORATION



-Production\* :

- Natural gas : approx. 3.0 million m<sup>3</sup>/d (110 million cf/d)\*\*
- Crude oil and condensate : approx. 3,000 bbl/d

-Natural Gas Sales

- Natural Gas Sales FY 2013/03 : approx. 1,750 million m<sup>3</sup>\*\*
- FY 2014/03(e) : approx. 1,800 million m<sup>3</sup>\*\*
- Expect more than 2,500 million m<sup>3</sup> in the first half of 2020s, 3,000 million m<sup>3</sup> in the long-term

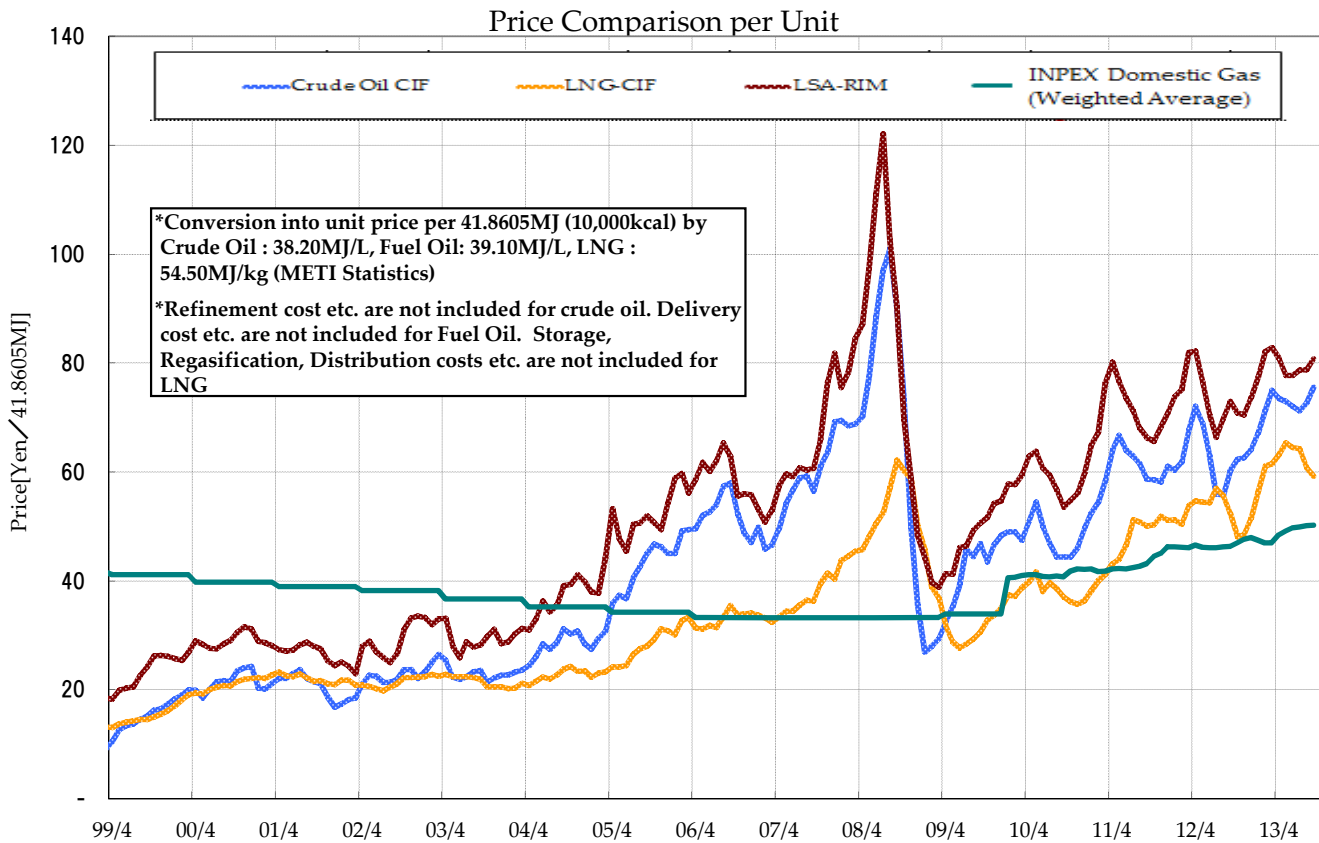
-Gas Supply Chain

- FID on Toyama Line in May 2011
- Construction of Naoetsu LNG Terminal (Start-up target: January, 2014)

\*sum of domestic crude oil and gas fields : average daily volume (for the six months ended Sep. 30)

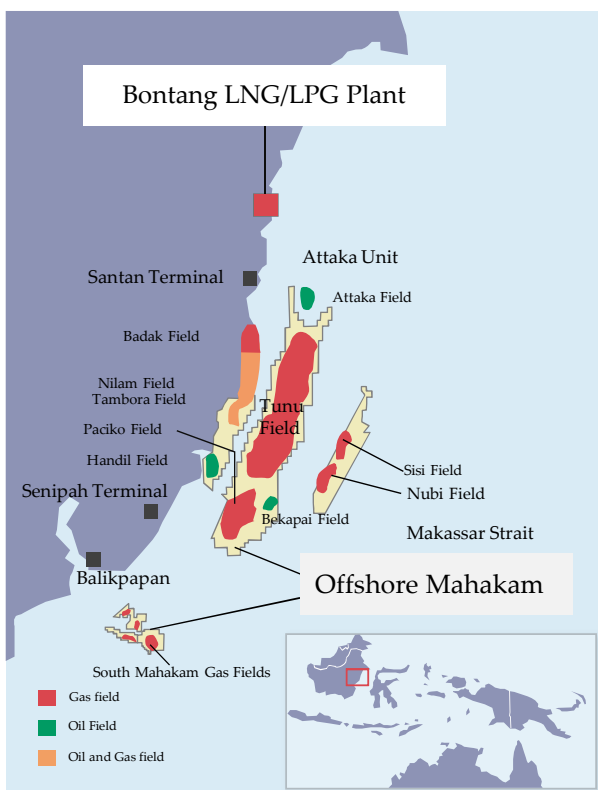
\*\*1m<sup>3</sup> = 41,8605MJ





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## Offshore Mahakam INPEX CORPORATION



- Participating Interest: 50% (Operator: TOTAL)
- Production\*
  - Crude Oil and Condensate: Approximately 69,000 bbl/d
  - LPG: Approximately 9,000 bbl/d
  - Gas: Approximately 1,370 million cf/d
- PSC: Until 2017
- Development activities continue to keep stable gas supply to Bontang LNG plant
  - Phased development of the Tunu / Peciko fields
  - Development of the Sisi-Nubi fields
  - Development of the South Mahakam field ongoing
- LNG supply to the Indonesia's first LNG receiving terminal (FSRU: Floating Storage and Regasification Unit) in West Java started in April 2012.
- Production at South Mahakam gas field started in the end of October 2012.
- Negotiation continues on PS contract renewal with Indonesian governmental authorities in cooperation with TOTAL .

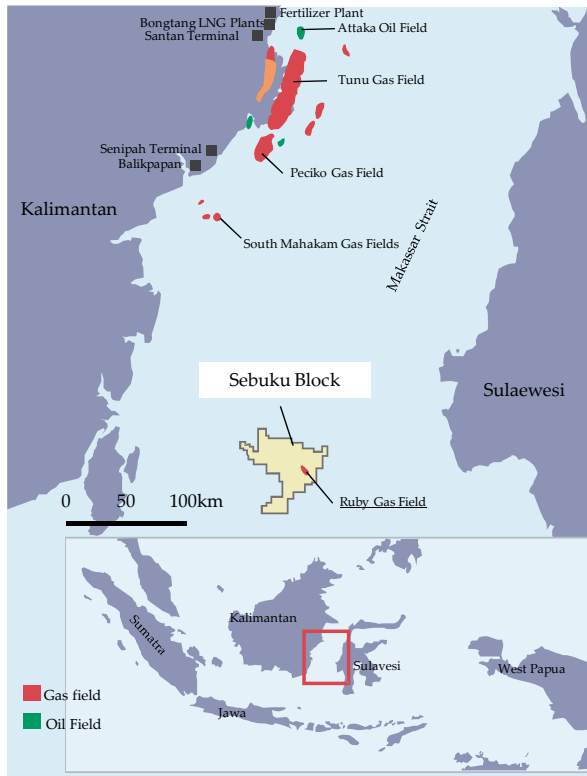
\* on the basis of all fields and average rate of Sep., 2013

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# Sebuku Block (Ruby Gas Field)

## INPEX South Makassar

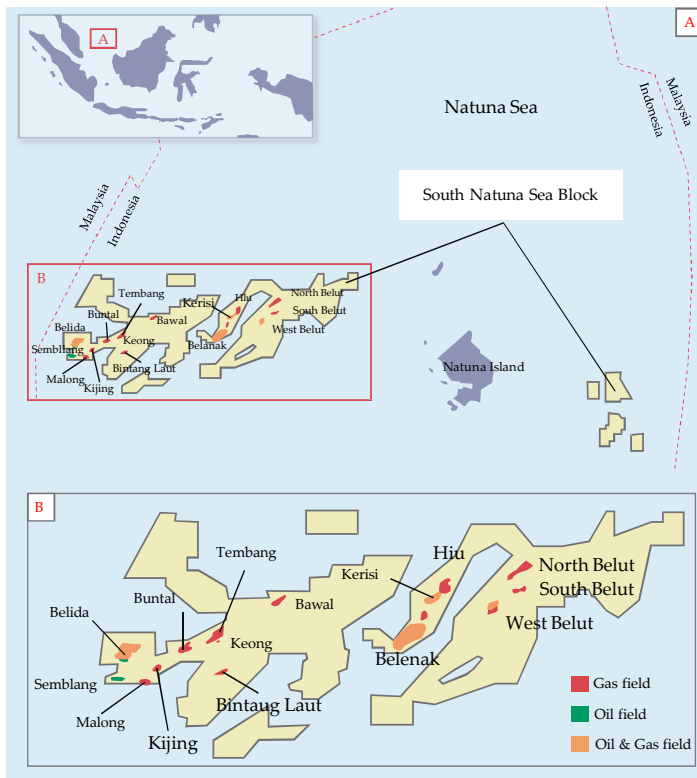


- Participating Interest: 15%  
(Operator : PEARLOIL (Mubadala))
- PSC: Until 2027
- POD (Plan of Development) for the Ruby Gas Field was approved by Indonesian Government in July 2008.
- FOA (Farm Out Agreement) with Pearl Energy was approved by Indonesian Government in August 2010 (INPEX acquired a 15% interest).
- FID (Final Investment Decision) in June 2011
- Offshore facilities tied-in to the onshore facilities of Offshore Mahakam Block by subsea pipeline.
- Produced gas is mainly supplied to domestic fertilizer plant in Indonesia.
- Production commenced in October 2013.

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# South Natuna Sea Block B

## INPEX NATUNA LTD.



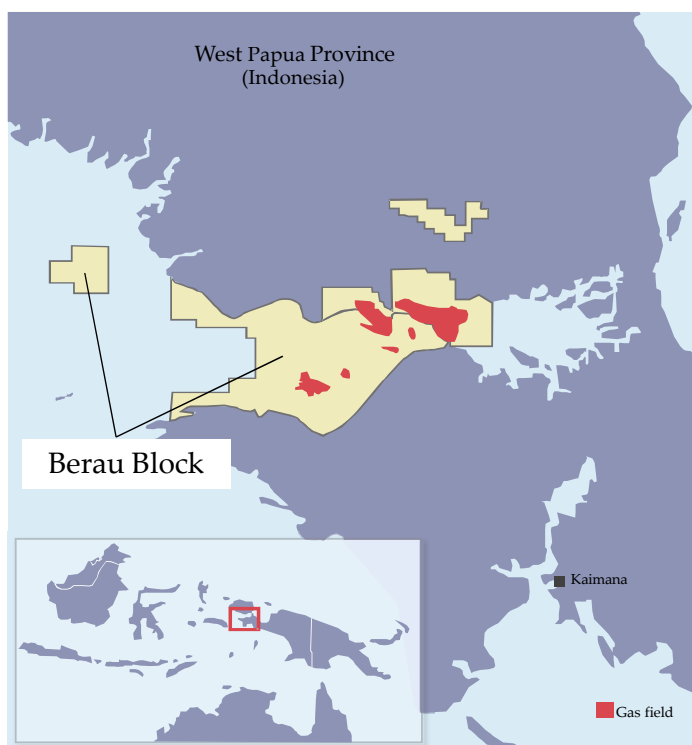
- Participating Interest: 35.0%  
(Operator : ConocoPhillips)
- Production\*:
  - Crude Oil: Approximately 30,000 bbl/d
  - LPG : Approximately 11,000 bbl/d
  - Gas: Approximately 330million cf/d
- PSC: Until 2028
- Signed a gas sales contract for 22 years from 2001 with SembCorp (Singapore) and for 20 years from 2002 with Petronas (Malaysia)
- Production at the Bawal gas field started in July 2012
- Production at the South Belut gas field is expected to commence in 2Q 2014

\* on the basis of all fields and average rate of Sep., 2013

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# Berau (Tangguh LNG Project)

## MI BERAU B.V. / MI BERAU JAPAN LTD. **INPEX**

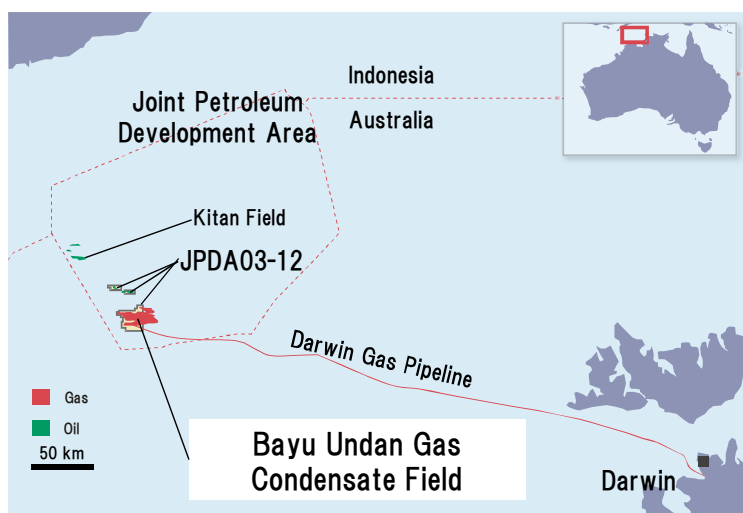


- MI Berau B.V./MI Berau Japan Ltd.\* : Joint venture with Mitsubishi Corporation (INPEX 44%, Mitsubishi 56%) \*MI Berau Japan owns approximately 16.5% share of KG Berau Petroleum Ltd.
- Participating Interest in the Berau PSC:
  - MI Berau : 16.3% Tangguh Unit
  - KG Berau Petroleum : 8.56% Tangguh Unit
  - Operator : BP
- Production\*:
  - Condensate: Approximately 6,000 bbl/d
  - Gas: Approximately 1,110 million cf/d
- PSC: Until 2035
- Scheduled Production: 7.6 million tons of LNG per year
- First cargo of Tangguh LNG delivered in July 2009

\* on the basis of all fields and average rate of Sep., 2013

# JPDA03-12 (Bayu-Undan)

## INPEX SAHUL, LTD. **INPEX**



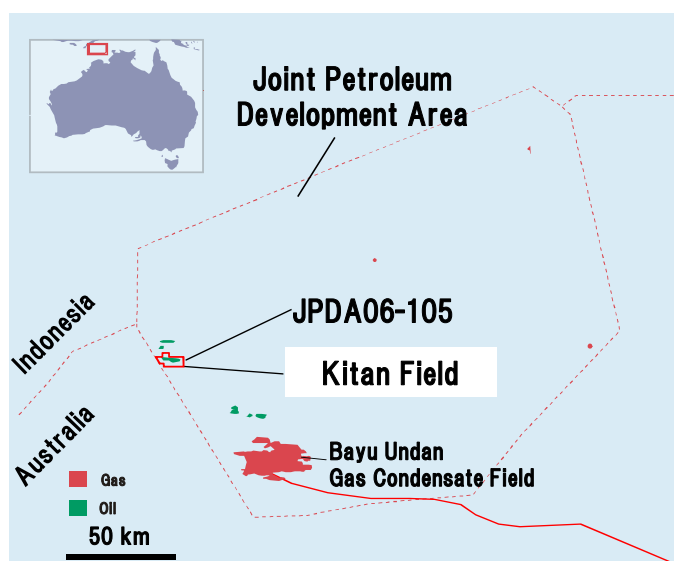
- Participating Interest: 11.378120% (Operator: ConocoPhillips)
- Production\*:
  - Condensate: Approximately 37,000 bbl/d
  - LPG: Approximately 23,000 bbl/d
  - Gas: Approximately 560 million cf/d
- PSC: Until 2022
- Sales of condensate and LPG started in February 2004
- Entered into LNG Sales Contract with TEPCO and Tokyo Gas in August 2005 (3 million t/y for 17 years from 2006)
- LNG sales started in February 2006

\* on the basis of all fields and average rate of Sep., 2013

# JPDA06-105 (Kitan Oil Field)

INPEX TIMOR SEA, LTD.

**INPEX**



- Participating Interest: 35% (Operator: Eni)
- PSC: Until April 2035 (Kitan Oil Field)
- Declaration of commercial discovery of the Kitan Oil Field in May 2008
- National Petroleum Authority approved the Final Development Plan for the Kitan Oil Field in April 2010
- Production started in October 2011
- Production\*:
  - Oil: Approximately 12,000bbl/d

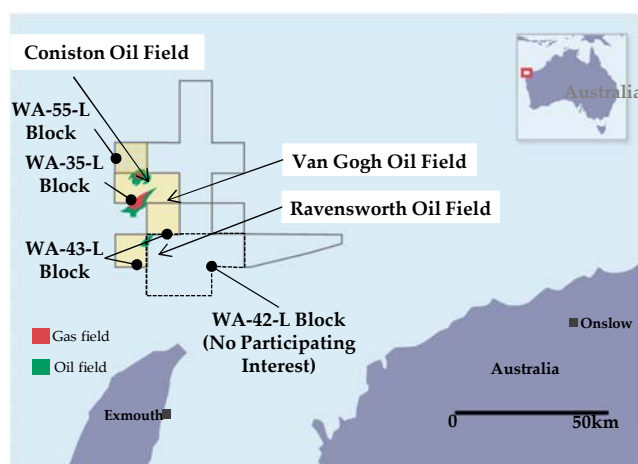
\* on the basis of all fields and average rate of Sep., 2013

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# Van Gogh, Coniston and Ravensworth Oil Fields

INPEX ALPHA, LTD.

**INPEX**



## Van Gogh / Coniston Oil Fields (WA-35-L/WA-55-L)

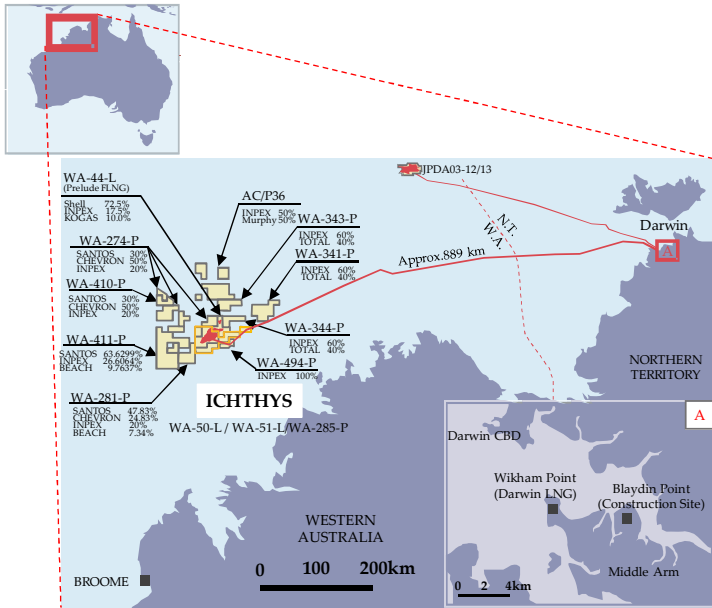
- Participating Interest: 47.499% (Operator: Apache)
- Concession Agreement: Production License was granted in October 2008
- Van Gogh Oil Field
  - Production Start : February 2010
  - Production\* : Oil : Approximately 13,000bbl/d
- Coniston Oil Field: Production Start: 2Q 2014 (planned), the average rate during the first year is projected to be approximately 19,600 bbl/d.

## Ravensworth Oil Field (WA-43-L)

- Participating Interest: 28.5% (Operator :BHPBP)
- Concession Agreement: Production License was granted in November 2009
- Tie-in development to the Production Facilities in WA-42-L, next to WA-43-L
- Production started in August 2010
- Production\*:
  - Oil: Approximately 10,000bbl/d

\* on the basis of all fields and average rate of Sep., 2013

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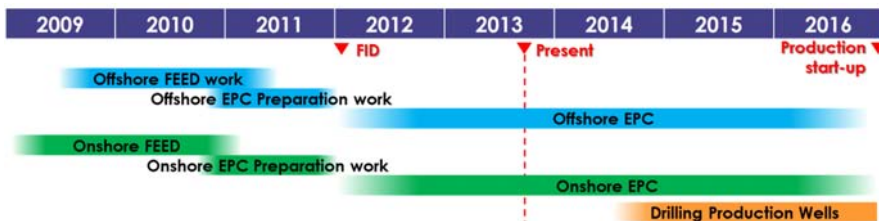


- January 13, 2012, Announced FID
- Production start target : by the end of 2016
- Production rate : LNG : 8.4 million t/y (equivalent to approx. 10% of Japan's current LNG annual import volume) , LPG : approx. 1.6 million t/y , Condensate : approx. 100,000 barrels per day(at peak)
- Reserves : 40-year project life. LNG production of 8.4 Million t/y for approx. 20 years (then gradually decline) . Substantial LPG and Condensate production. Approx. 1,030 million BOE\* of proved reserves as of Mar. 2013.
- Participating Interest: INPEX 66.07%\*\*, TOTAL 30.0%, Tokyo Gas 1.575%, Osaka Gas 1.200%, Chubu Electric Power 0.735%,Toho Gas 0.420%

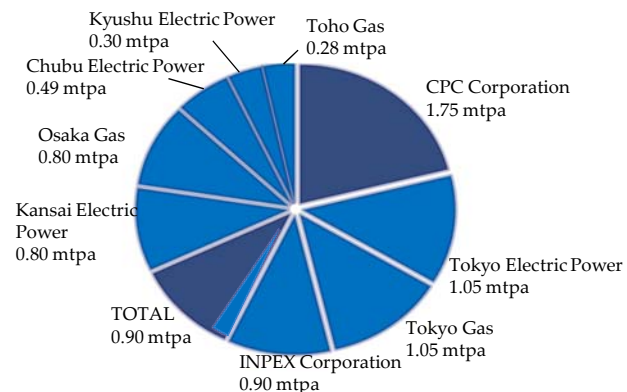
\*This figure is based on INPEX's Participating interest of 66.07%.  
 \*\*Including 2.625% equity interest in the process of transfer to CPC

- Marketing: LNG SPAs secured for the entire LNG production (8.4 million t/y)
- Major Government approvals: Environmental approval, Pipeline licenses, Production Licenses all obtained
- CAPEX : US\$34.0 billion (100% project basis)
- Financing the Project: Arrangement for US\$ 20 billion of project financing with ECAs and major commercial banks were completed in December, 2012.
- EPC Works : Major EPC Contracts were awarded.
- Upstream : CPF: Samsung Heavy Industries, FPSO: Daewoo Shipbuilding & Marine Engineering, Subsea Production System (SPS): GE Oil & Gas, Umbilical, Riser and Flowline (URF): McDermott
- Downstream : Onshore LNG Plant : JGC, Chiyoda and KBR, Gas Export, Pipeline(GEP) : Saipem S.p.A, Mitsui Corporation, Sumitomo Corporation and Metal One Corporation, Dredging in Darwin Harbor: Van Oord, Instrumentation and Control System: Yokogawa Electric (including upstream facilities)

Schedule:



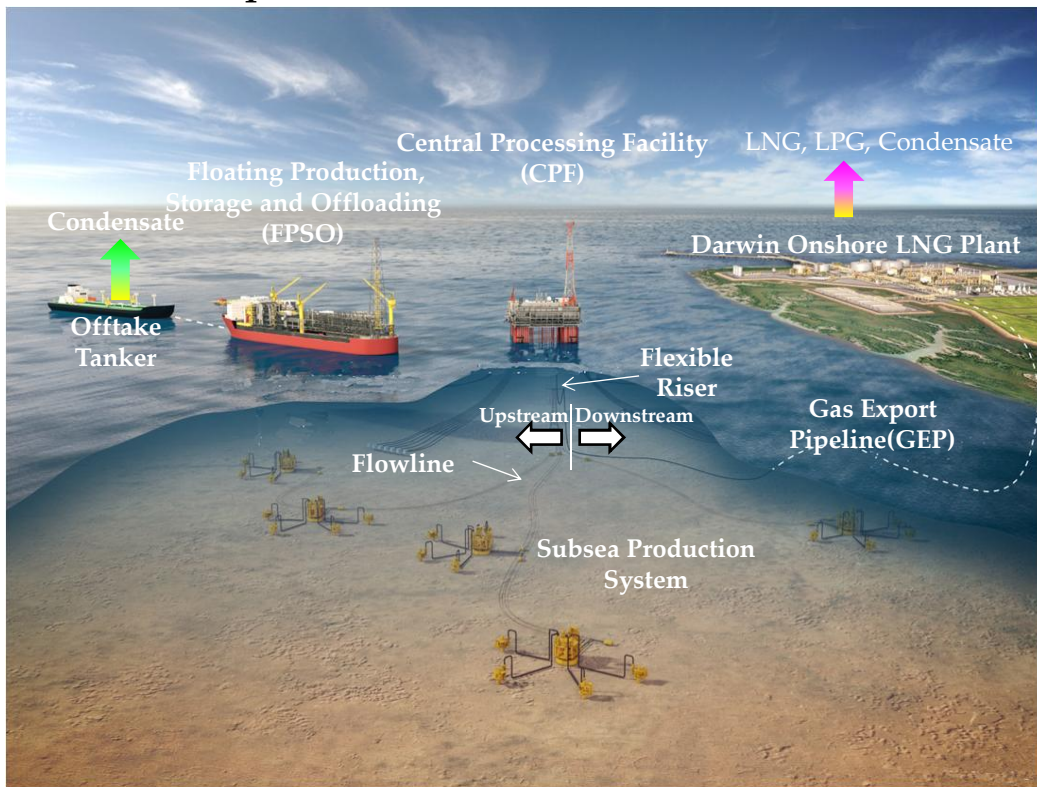
LNG Sales Volume: 8.4 million t/y



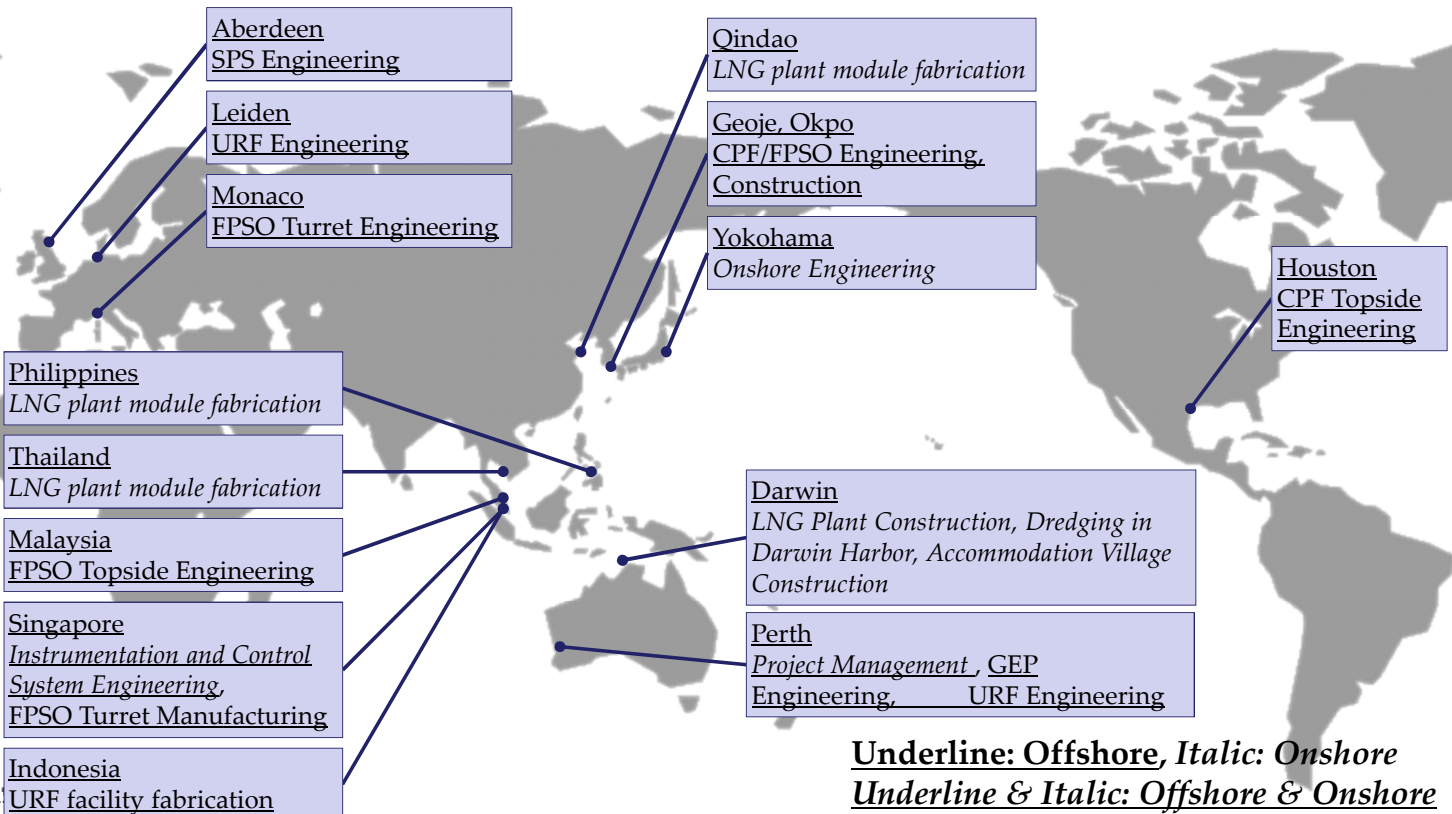
Approximately 70% of the LNG to be delivered to Japan



## Development Concept



## Key Locations of EPC Works





## Characteristics / Strengths of the Project

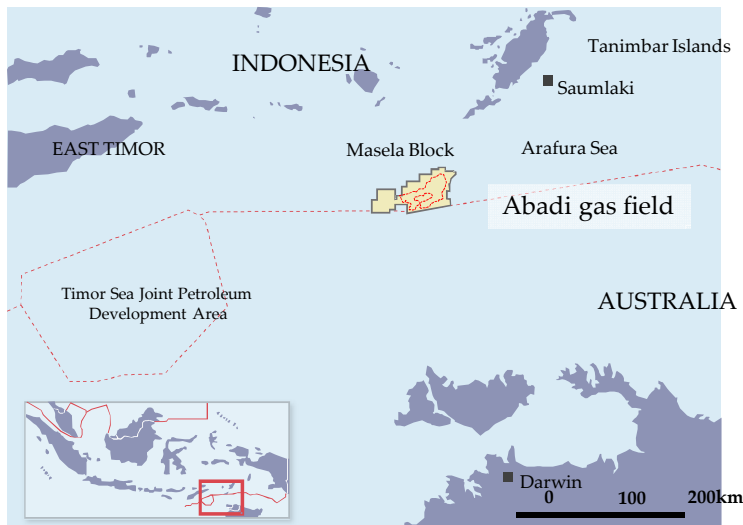
- Wet gas with rich Condensate and LPG
- Good coordination and relationship with TOTAL
- Sufficient period of FEED prior to FID
  - Thorough review on engineering works to minimize scope change
  - More accurate cost estimation
- Major/reliable EPC contractors involved
- High degree of lump-sum for EPC contracts (approx. 75% of the price)
- LNG SPAs with major/reliable buyers
- Large-scale project finance secured
- Insurance arrangements for project facilities during the construction period



- **Readiness for cost overrun risk to secure stable economics**
- **Readiness for risk management to control project schedule**
- **Fully prepared for steady progress**



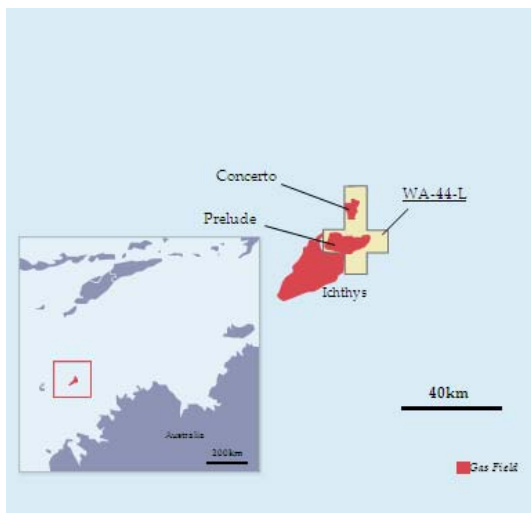
# Abadi LNG Project



- SURF (subsea production facilities) FEED commenced in November 2012. FLNG FEED commenced in January 2013.
- AMDAL (Environmental & Social Impact Assessment Process) ongoing
  - Plans to complete the AMDAL report by the end of 2013 and to obtain final approval from the Ministry of Environment.
- Strategic alliance with Shell
  - Shell provides technical services and assigns secondees
- PS Contract requires to transfer a 10% participating interest to an Indonesian participant to be designated by the Indonesian Government.
- PSC: Until 2028
- Further approach for future subsequent development utilizing the gas reserves
  - With FEED started, part of contingent resources upgraded and booked as probable reserves (FY March 2013)
  - Conducting to drill 3 delineation wells and 1 exploratory well from June 2013

# Prelude FLNG Project

INPEX Oil & Gas Australia Proprietary Limited **INPEX**



- Participating Interest: 17.5% (Operator: Shell)
- Reserves : approximately 3 trillion cubic feet of gas (Prelude and Concerto gas fields)
- Production : 3.6 million t/y of LNG, along with 0.4 million t/y of LPG and approx. 36,000 bbl/d of condensate at peak
- FID in May 2011
- Targeting its production start-up around 10 years from when the Prelude gas field was first discovered in early 2007

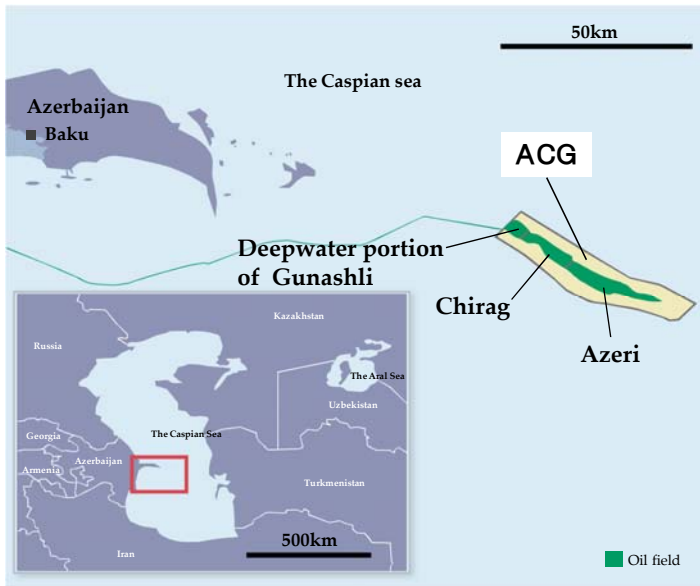


FLNG (image)



# ACG

## INPEX Southwest Caspian Sea, Ltd.

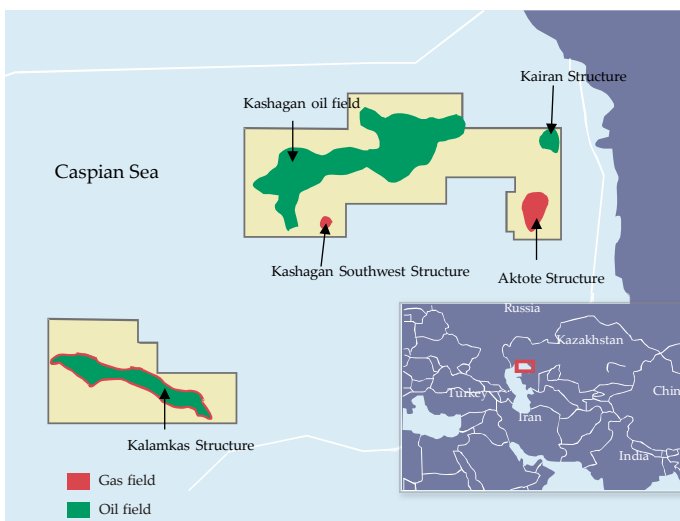


- Participating Interest: 10.9644% (Operator: BP)
- Production\*: Approximately 631,000 bbl/d
- PSC: Until 2024
- Phase 1 : Starting oil production in the Central Azeri area in February 2005
- Phase 2 : Starting oil production in the West Azeri area in December 2005 and in the East Azeri area in October 2006
- Phase 3 : Starting oil production in the Deepwater portion of the Gunashli area in April 2008
- Additional Development: Governmental Approval for Chirag Oil Project (COP) in March 2010 (Starting oil production is scheduled in late 2013)

\* on the basis of all fields and average rate of Sep., 2013

# Kashagan, etc.

## INPEX North Caspian Sea, Ltd.



- Participating Interest: 7.56% (Operator: NCOG (North Caspian Operating Company))
- PSC: Kashagan – Until the end of 2021\*
- Kalamkas, Aktote, Kairan and Southwest Kashagan structures are under evaluation.
- Kashagan (Experimental Program)
  - First Oil: September, 2013
  - Oil Production : Approximately 10 thousand bbl/d\*\*
  - Oil Peak Target: 370 thousand bbl/d
  - Further Plan: 450 thousand bbl/d (Target)

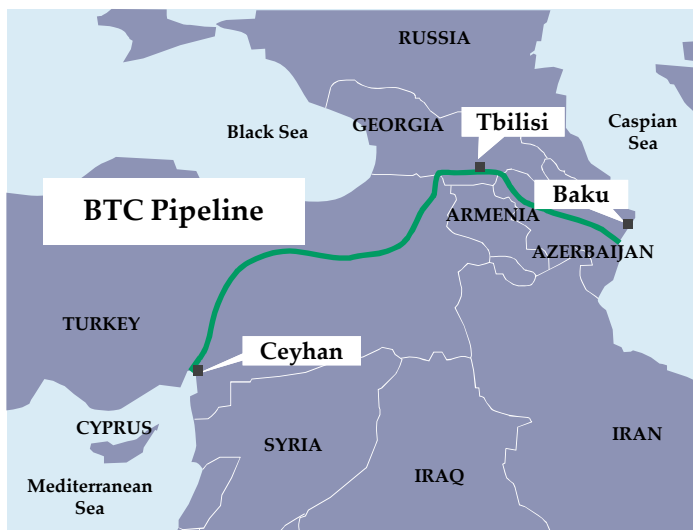
\* We have the options to extend the contract period by 10 years twice in accordance with the current PSC

\*\* on the basis of all fields and average rate of Sep., 2013

# BTC(Baku-Tbilisi-Ceyhan) Pipeline Project

## INPEX BTC Pipeline, Ltd.

**INPEX**



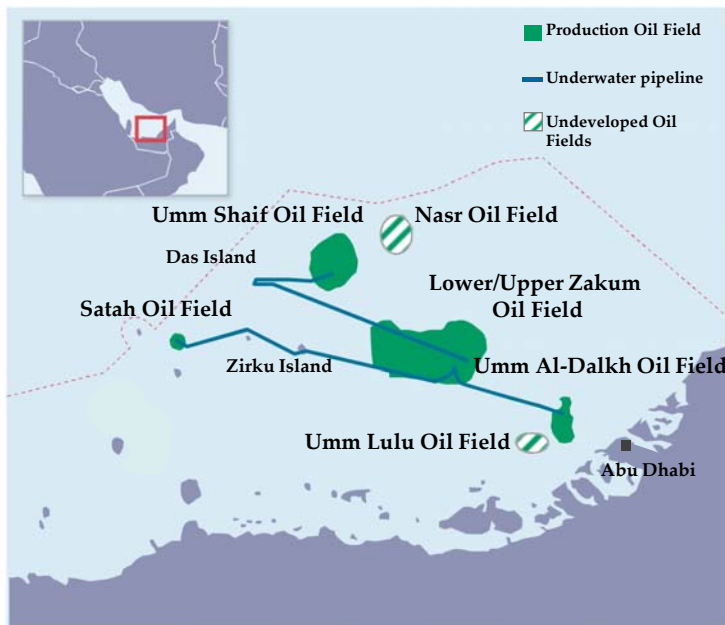
- Participating Interest: 2.5% (Operator : BP)
- Obtained stock of the operating company (BTC Co.) through INPEX BTC Pipeline, Ltd. in October 2002
- Commenced crude oil export in June 2006 from Ceyhan terminal
- Complete commissioning work 1.2 million bbl/d capacity expansion in March 2009
- Cumulative export volume reached 1,000 million bbls on September 13, 2010

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# ADMA

Japan Oil Development Co., Ltd. (JODCO)

**INPEX**

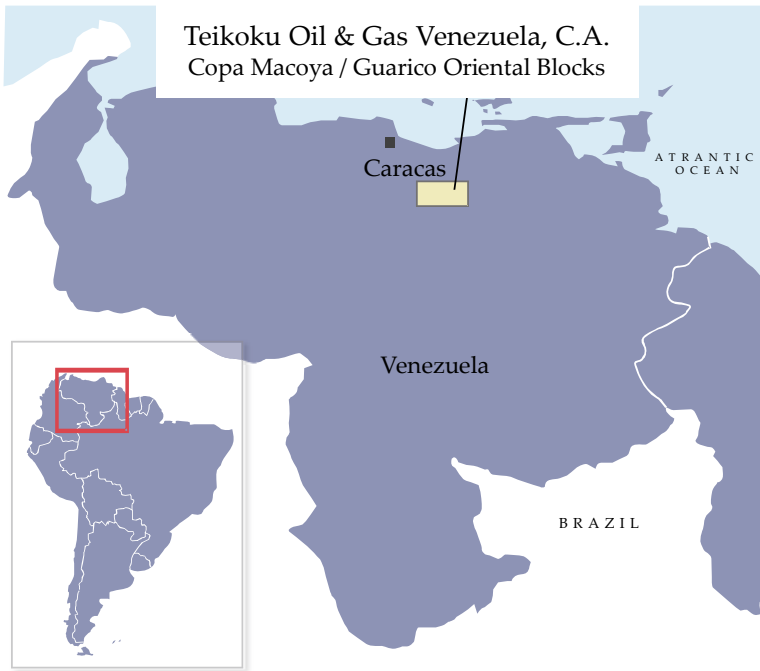


- Umm Shaif / Lower Zakum
    - Participating Interest: 12.0% (Operator : ADMA-OPCO\*)
  - Upper Zakum / Umm Al-Dalkh / Satah
    - Participating Interest:
      - Upper Zakum / Umm Al-Dalkh: 12.0%
      - Satah: 40.0% (Operator : ZADCO\*)
- \*Operating company established by ADNOC and other companies including JODCO. JODCO has a 12% interest in each company.
- Continuous development to keep and increase the production level
    - Umm Lulu /Nasr under development aiming for early production
    - Implementing a redevelopment plan using artificial islands for Upper Zakum

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# Venezuela Projects

## Teikoku Oil & Gas Venezuela, C.A., etc



### Copa Macoya / Guarico Oriental Blocks

- INPEX's Share
  - Gas JV : 70%      Oil JV : 30%
- Joint Venture Agreement: 2006-2026
- Production\*:
  - Gas: Approximately 57 million cf/d
  - Crude oil: Approximately 1,000 bbl/d

\* on the basis of all fields and average rate of Sep., 2013

# Brazil Projects

## Frade Japão Petróleo Limitada (FJPL) etc



### Frade Japão Petróleo Limitada (FJPL)

- FJPL's Participating Interest\*: 18.3% (Operator : Chevron)
- \*FJPL is an equity method affiliate of INPEX. (INPEX owns 37.5% shares of FJPL through a subsidiary)
- Production\*\*:
- Crude oil: Approximately 20,000 bbl/d
- Concession Agreement: Until 2025

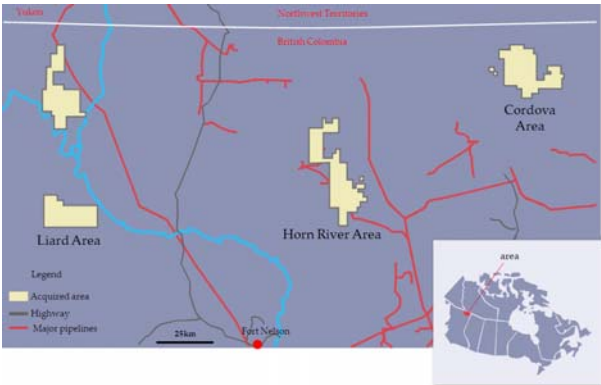
### BM-ES-23

- Participating Interest: 15%
- Under Exploration

\*\* on the basis of all fields and average rate of Sep., 2013

# Canada Shale Gas Project

INPEX Gas British Columbia Ltd.



- Participating Interest: 40%\*(Operator : Nexen)
- \* INPEX Gas British Columbia Ltd. (INPEX 45.09%, JOGMEC 44.89%, Canadian Subsidiary of JGC Corporation 10.02%).
- Production\*\*:

  - Gas: Approximately 96million cf/d

- Concession Agreement

  - Horn River : 366km<sup>2</sup>
  - Cordova : 333km<sup>2</sup>
  - Liard : 517km<sup>2</sup>

- 1,250 million cf/d (approximately 200 thousand boe/d) at Horn River and Cordova areas as full scale production expected
- Horn River area: Production Start in 2010
- Cordova area: Production Start in 2019 (planned)



Hydraulic Fracturing site in the Horn River Area

# Joslyn Oil Sands Project

INPEX Canada, Ltd.

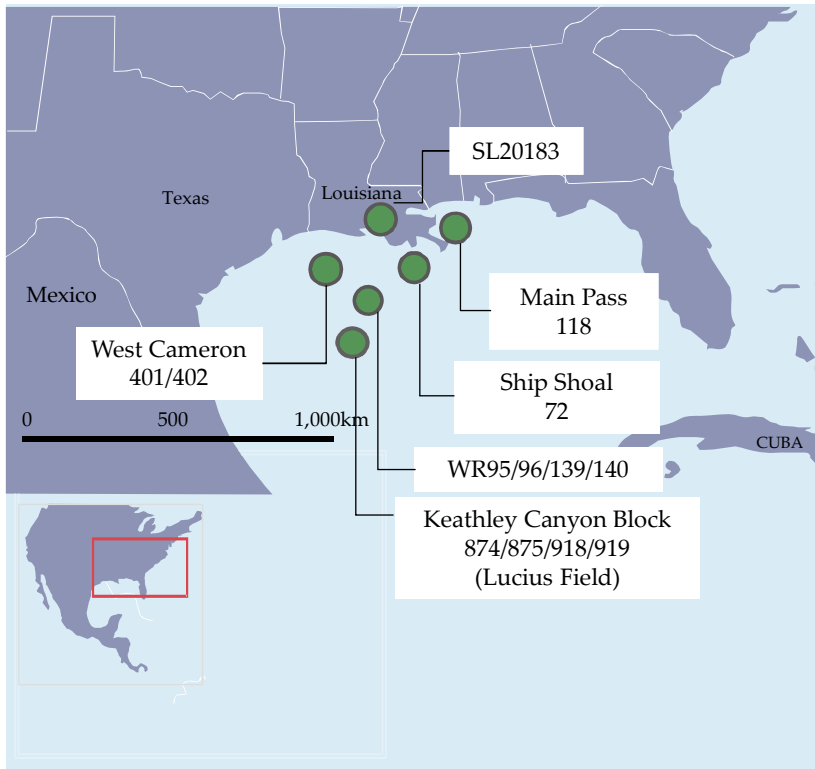


Joslyn Oil Sands Lease Location

- Participating Interest:
  - Upstream project: 10% (operator: TOTAL)
- Concession Agreement (Lease)
  - 7280060T24 : Indefinite
  - 7404110452 : 15 year primary lease from November 2004\*
  - 7405070799 : 15 year primary lease from July 2005\*
- \*Can be extended
- Oil Sands Upstream Project:
  - Mining project will commence operations in late 2010s and will reach a production rate of 100,000 barrels of bitumen per day, followed by additional 100,000 barrels of bitumen per day as the second phase
- Upgrader Project:
  - Under consideration

# Gulf of Mexico (USA) Projects

Teikoku Oil (North America) Co., Ltd. / INPEX Gulf of Mexico Co., Ltd. **INPEX**



## Shallow Water Projects

(Teikoku Oil (North America) Co., Ltd. )

- Concession Agreement
- Participating Interest:  
Ship Shoal 72: 25%, West Cameron 401/402: 25%,  
Main Pass 118: 16.67%, SL 20183: 25%
- Production volume\*
  - Gas: Approximately 8 million cf/d
  - Crude oil: Approximately 1,000 bbl/d

## Deep Water Project

(INPEX Gulf of Mexico Co., Ltd.)

- Concession Agreement
- Participating Interest:  
Walker Ridge 95/96/139/140 : 15%

## Lucius Field

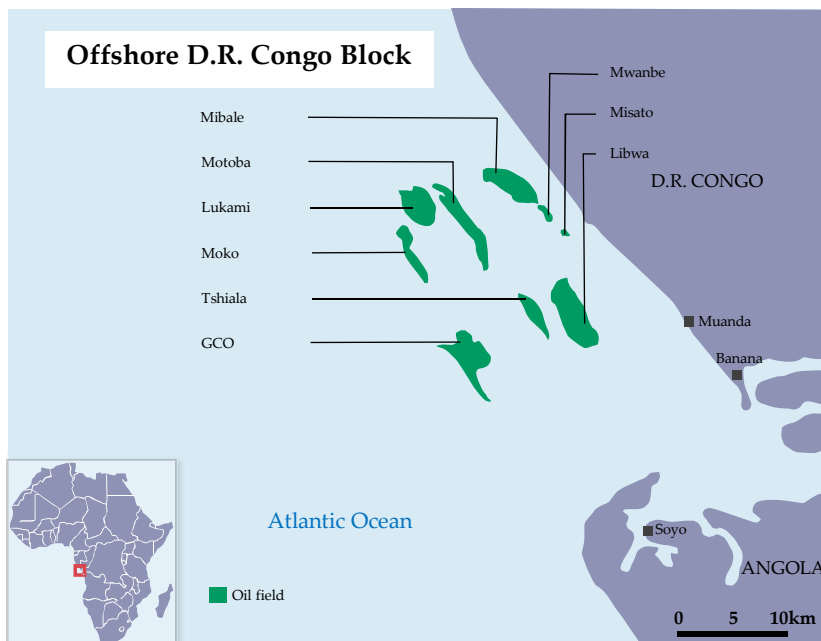
(Teikoku Oil(North America) Co., Ltd.)

- Concession Agreement
- Participating Interest: 7.2%(Operator : Anadarko)
- FID : December 2011
- Production Start : latter half of 2014 (planned)

\* Ship Shoal 72, West Cameron 401/402, Main Pass 118, SL 20183 on the basis of all fields and average rate of Sep., 2013

# Offshore D.R. Congo

Teikoku Oil (D.R. Congo) Co., Ltd. **INPEX**



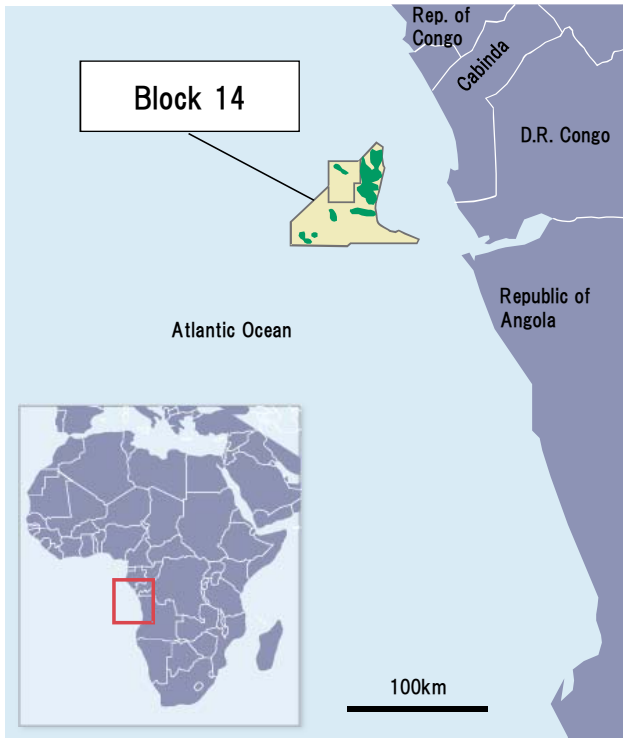
- Participating Interest: 32.28%  
(Operator: Perenco)
- Concession Agreement: 1969-2023
- Production Commencement: 1975
- Production\*: Approximately 14,000 bbl/d

\* on the basis of all fields and average rate of Sep., 2013



# Block 14, Offshore Angola

## INPEX Angola Block 14 Ltd.

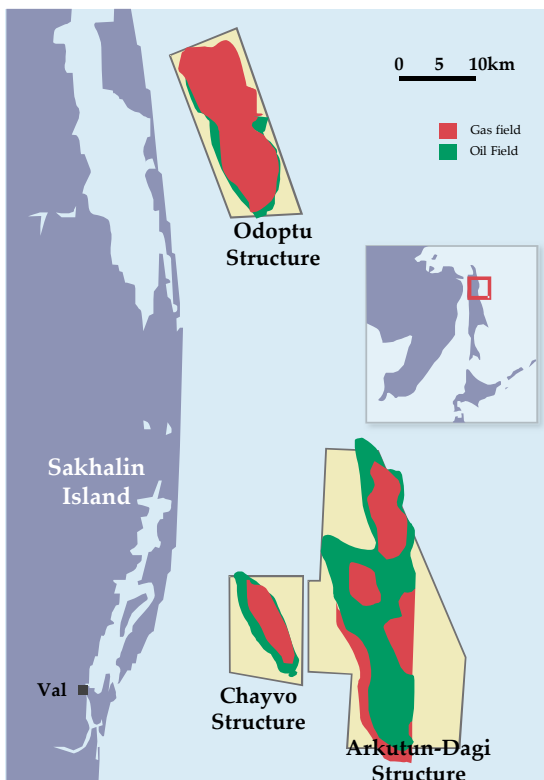


- Participating Interest: 9.99% (Operator: Chevron)
- Production\* : Approximately 138,000 bbl/d
- PSC: Until 2035
- Plans to further expand exploration, development and production activities

\* on the basis of all fields and average rate of Sep., 2013

# Sakhalin I

## Sakhalin Oil and Gas Development Co.



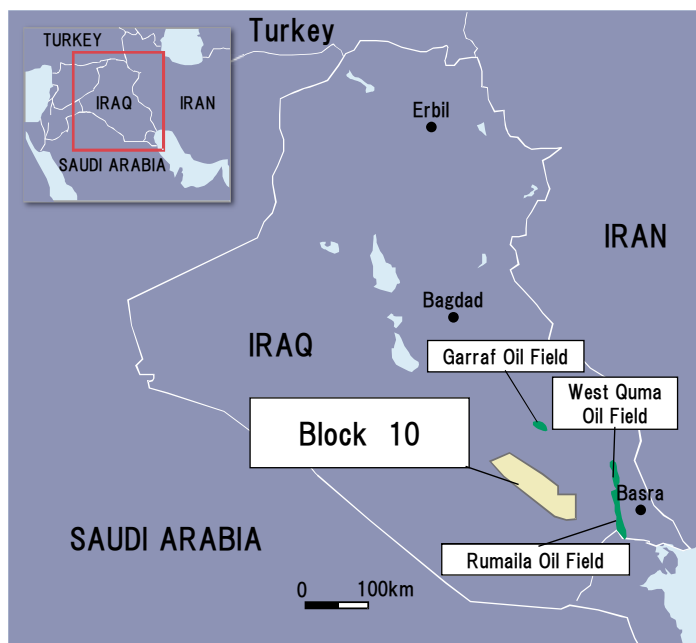
- Sakhalin Oil and Gas Development Co. (SODECO): INPEX owns approximately 6.08% of the total share
- SODECO's Participating Interest: 30.0%
- Production\*:
  - Crude Oil : Approximately 140,000 bbl/d
  - Gas: Approximately 204 million cf/d \*\*
- Operator: ExxonMobil
- PSC: In December 2001 the project proceeded to the development phase for 20 years
- Commenced production from Chayvo Structure in October 2005; commenced crude oil export in October 2006
- Commenced production from Odoptu Structure in September 2010
- Commenced natural gas supply to Russian domestic market, and natural gas supply to Chinese and other markets considered

\* on the basis of all fields and average rate of Sep., 2013

\*\*sales volume

# Block 10, Iraq INPEX South Iraq, Ltd.

**INPEX**



- Participating Interest: 40% (Operator: Lukoil)
- Signed a Service Contract for the onshore Block 10 jointly with a subsidiary of LUKOIL in November 2012
- Plans to carry out seismic surveys and to drill exploratory well(s)

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## Key Investments and Contracts I\*

**INPEX**

| Company                             | Field / Project Name         | Country   | Contract Type | Ownership | Stage                       |
|-------------------------------------|------------------------------|-----------|---------------|-----------|-----------------------------|
| <b>Japan</b>                        |                              |           |               |           |                             |
| •INPEX CORPORATION                  | Minami-Nagaoka, etc. **      | Japan     | Concession    | -         | Producing                   |
| <b>Asia/Oceania</b>                 |                              |           |               |           |                             |
| •INPEX CORPORATION                  | Mahakam                      | Indonesia | PS            | -         | Producing                   |
| •INPEX South Makassar               | Sebuku Block(Ruby Gas Field) | Indonesia | PS            | 100%      | Producing                   |
| •INPEX Natuna                       | South Natuna Block 'B'       | Indonesia | PS            | 100%      | Producing                   |
| •MI Berau B.V.                      | Berau(Tangguh LNG Project)   | Indonesia | PS            | 44%       | Producing                   |
| •INPEX Masela                       | Masela(Abadi)**              | Indonesia | PS            | 51.9%     | Preparation for Development |
| •INPEX Sahul                        | Bayu-Undan                   | JPDA      | PS            | 100%      | Producing                   |
| •INPEX Browse                       | WA-285-P **                  | Australia | Concession    | 100%      | Exploration                 |
| •INPEX Ichthys Pty Ltd.             | WA-50-L(Ichthys) **          | Australia | Concession    | 100%      | Development                 |
| •Ichthys LNG Pty Ltd.               | Ichthys Downstream **        | Australia | -             | 66.07%    | Development                 |
| •INPEX Oil & Gas Australia Pty Ltd. | Prelude FLNG Project         | Australia | Concession    | 100%      | Development                 |
| •INPEX Timor Sea                    | JPDA 06-105(Kitan)           | JPDA      | PS            | 100%      | Producing                   |
| •INPEX Alpha                        | Van Gogh/Coniston            | Australia | Concession    | 100%      | Producing/Development       |
| •INPEX Alpha                        | Ravensworth                  | Australia | Concession    | 100%      | Producing                   |

Note:

\* As of the end of October 2013

\*\* Operator project

\*\*\* INPEX's participating interest 66.07% represents the figure before the completion of condition precedent of the participating interest transfer contracts with CPC whose interest will be a 2.625% .

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# Key Investments and Contracts II\*



| Company                        | Field / Project Name             | Country    | Contract Type | Ownership | Stage                       |
|--------------------------------|----------------------------------|------------|---------------|-----------|-----------------------------|
| <b>Eurasia (Europe – NIS)</b>  |                                  |            |               |           |                             |
| •INPEX Southwest Caspian Sea   | ACG                              | Azerbaijan | PS            | 51%       | Producing                   |
| •INPEX North Caspian Sea       | Kashagan                         | Kazakhstan | PS            | 45%       | Producing                   |
| <b>The Middle East</b>         |                                  |            |               |           |                             |
| •JODCO                         | ADMA(Upper Zakum, etc.)          | UAE        | Concession    | 100%      | Producing                   |
| •INPEX South Iraq              | Block 10                         | Iraq       | Service       | 100%      | Exploration                 |
| <b>Africa</b>                  |                                  |            |               |           |                             |
| •Teikoku Oil (D.R. Congo)      | Offshore D.R.Congo               | D.R.Congo  | Concession    | 100%      | Producing                   |
| •INPEX Angola Block 14         | Block 14, Offshore Angola        | Angola     | PS            | 100%      | Producing/Development       |
| <b>Americas</b>                |                                  |            |               |           |                             |
| •INPEX Canada                  | Joslyn Oilsands                  | Canada     | Concession    | 100%      | Preparation for Development |
| •INPEX Gas British Columbia    | Canada Shale Gas project         | Canada     | Concession    | 45.09%    | Producing/Evaluation        |
| •Teikoku Oil & Gas Venezuela   | Copa Macoya** / Guarico Oriental | Venezuela  | JV            | 100%      | Producing                   |
| •Teikoku Oil (North America)   | Ship Shoal 72etc./Lucius         | USA        | Concession    | 100%      | Producing/Development       |
| •Frade Japão Petróleo Limitada | Frade                            | Brazil     | Concession    | 37.5%***  | Producing                   |

Note:

\* As of the end of April 2013

\*\* Operator project

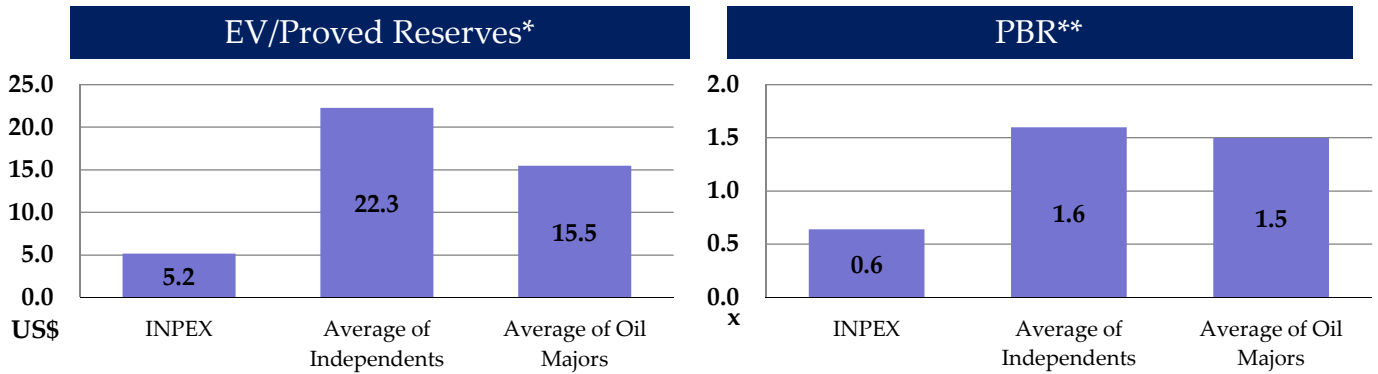
\*\*\* Frade Japão Petróleo Limitada is subsidiary of INPEX Offshore North Campos (INPEX's equity method affiliate). 37.5% of ownership means indirect investment from INPEX through INPEX Offshore North Campos.




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## Others

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• EV (Enterprise Value) / Proved Reserves= (Total market value + Total debt - Cash and cash equivalent + Minority interest) / Proved Reserves. Total market value as of 30/09/2013, Financial data: INPEX as of 30/09/2013, Independents and Oil Majors as of 30/06/2013 and Proved Reserves: INPEX as of 31/03/2013, Independents and Oil Majors as of 31/12/2012.

\*\* PBR = Stock price / Net asset per share. Total market value as of 30/09/2013. Financial data: INPEX as of 30/09/2013, Independents and Oil Majors as of 30/06/2013. Sources based on public data.

## Medium- to Long-Term Vision

### Three Growth Targets and Key Initiatives for the First Five Years

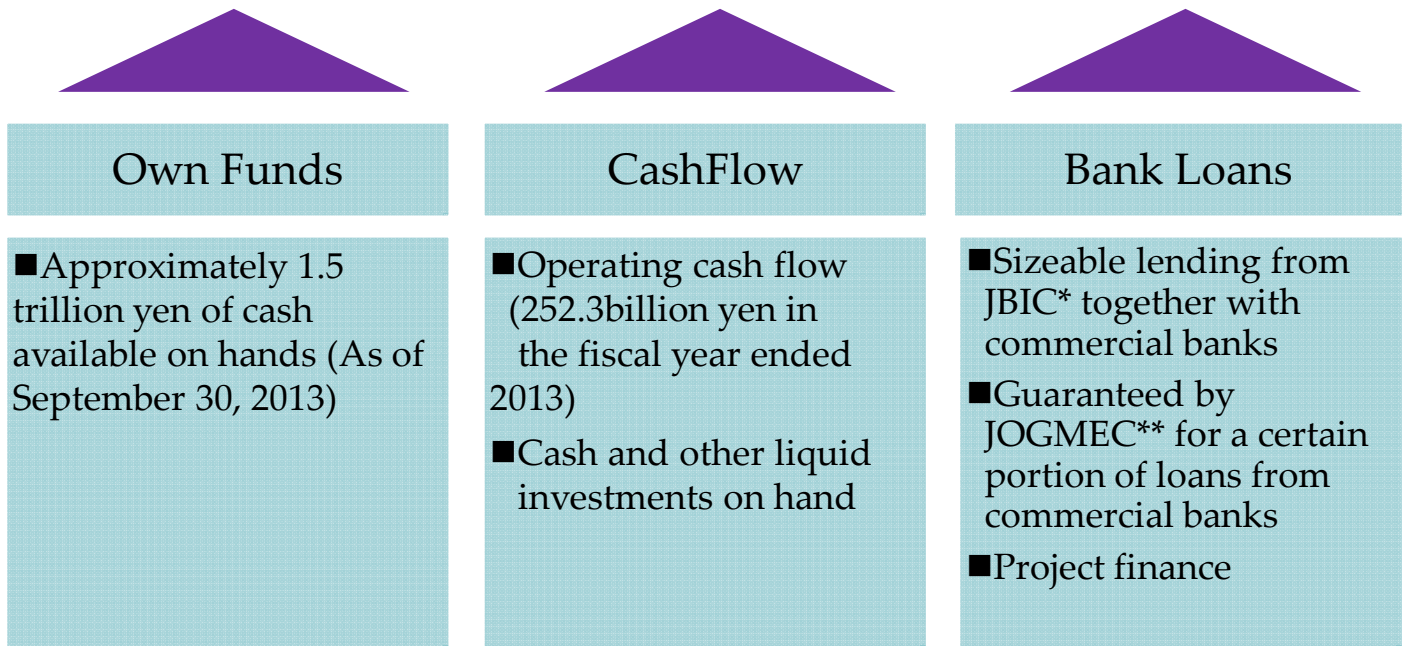
1. Continuous Enhancement of E&P Activities  
→ Achieve a net production volume of 1 million boed by the early 2020s
2. Strengthening Gas Supply Chain  
→ Achieve a domestic gas supply volume of 2.5 billion m<sup>3</sup>/year in the early 2020s
3. Reinforcement of renewable Energy Initiatives  
→ Promote efforts to commercialize renewable energies and reinforce R&D activities for the next generation

### Three Management Policies and Our Vision

1. Securing / Developing Human Resources and Building Efficient Organizational Structure
2. Investment for Growth and Return for Shareholders
3. Responsible Management as a Global Company

## Approximately 3.5 trillion yen

For Ichthys, Abadi and other E&P projects etc.  
5 years (from Fiscal 2013 to Fiscal 2017)



\* JBIC : Japan Bank for International Cooperation

\*\* JOGMEC : Japan Oil, Gas and Metals National Corporation

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## Core Finance Strategies **INPEX**

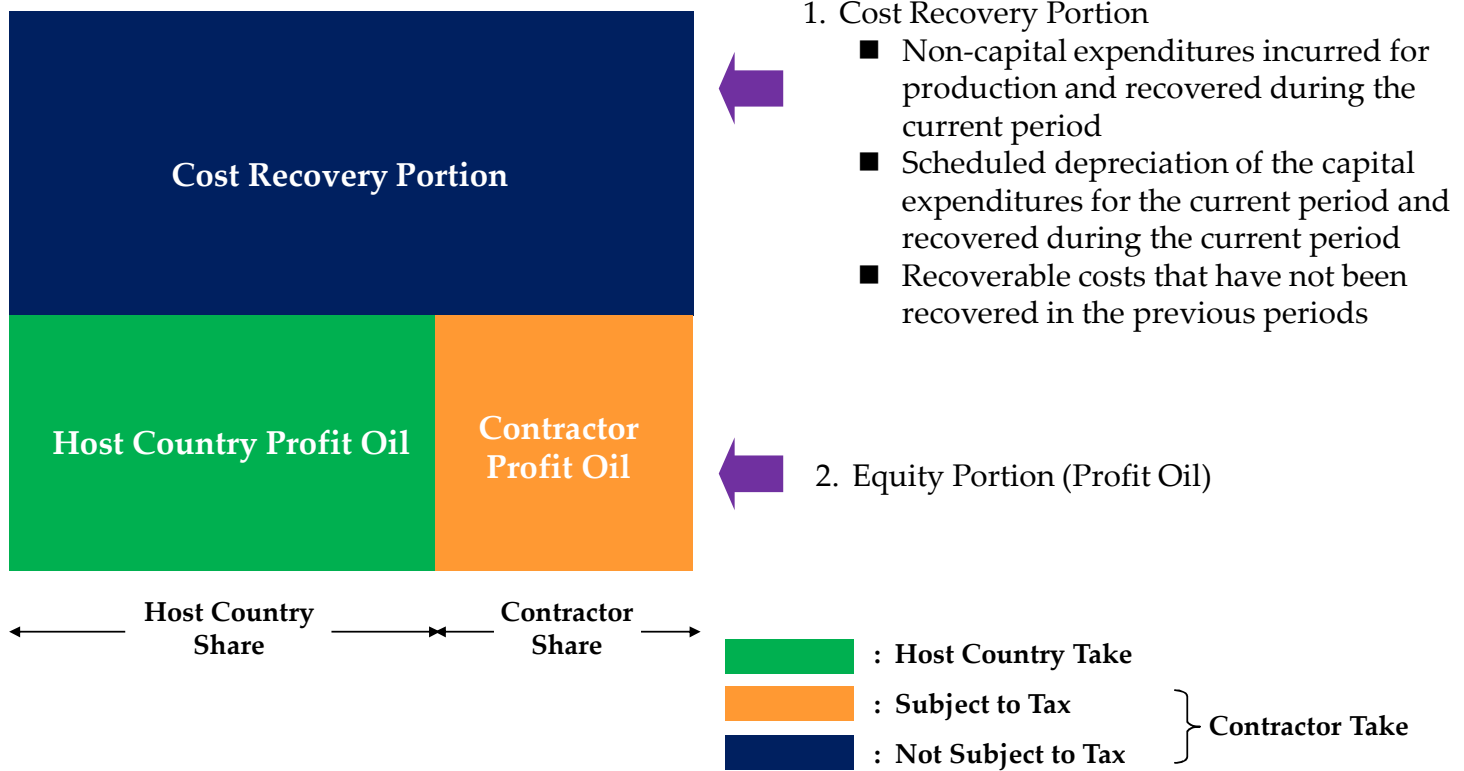
### Advantage of low-cost funding

Maintain strong balance sheet to achieve financial stability and secure further debt capacity

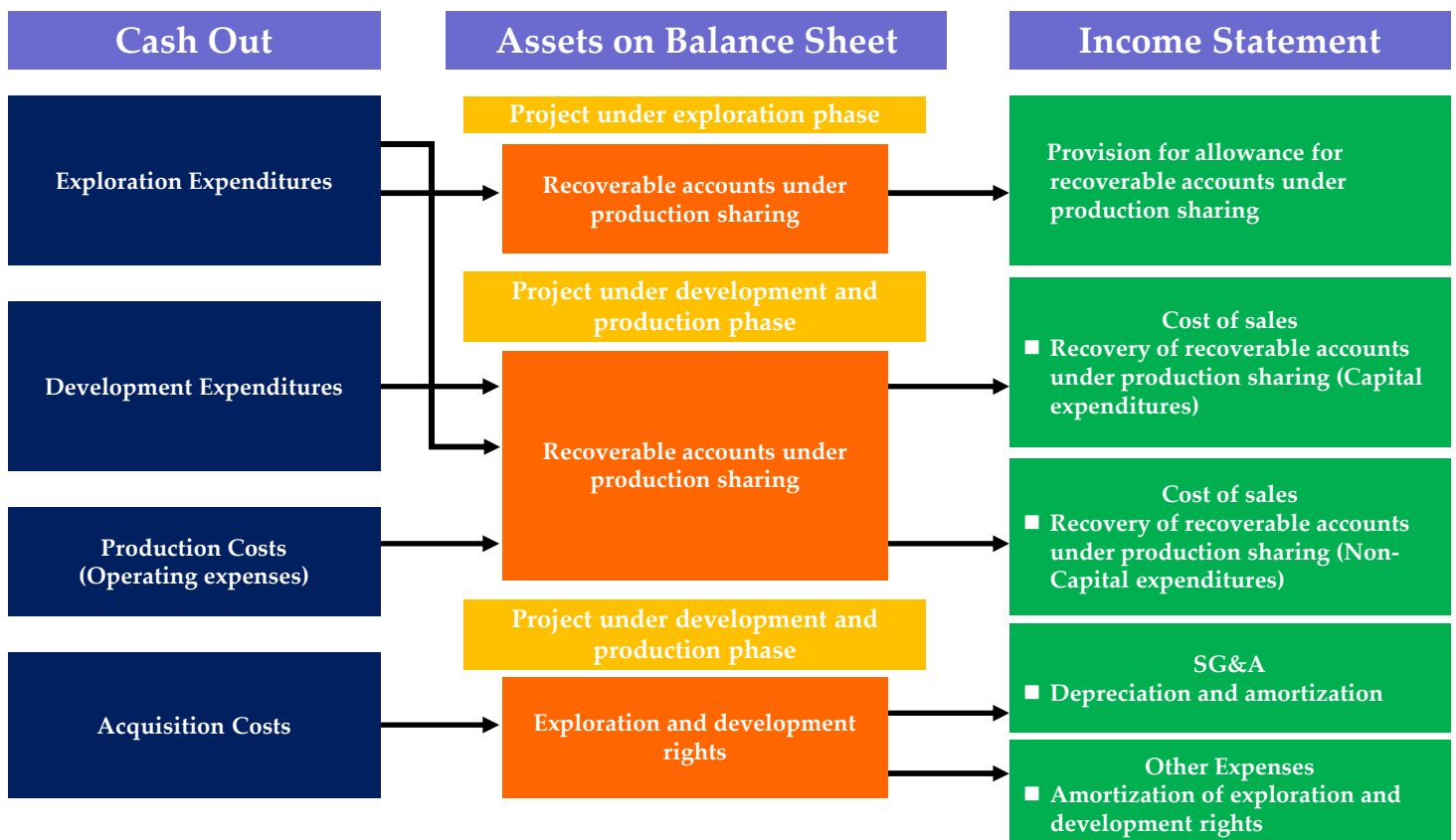
Leverage relationships with governmental financial institutions, such as JBIC and JOGMEC, to fund development costs

- Maintain funding capability to ensure necessary investments, which are for major projects such as Ichthys and Abadi
- Maintain strong balance sheet to enable continuous investments in potential projects in the future
- Long-term target financial leverage
  - Equity Ratio : 50% or higher
  - Net Debt / Total Capital Employed Ratio: 20% or less

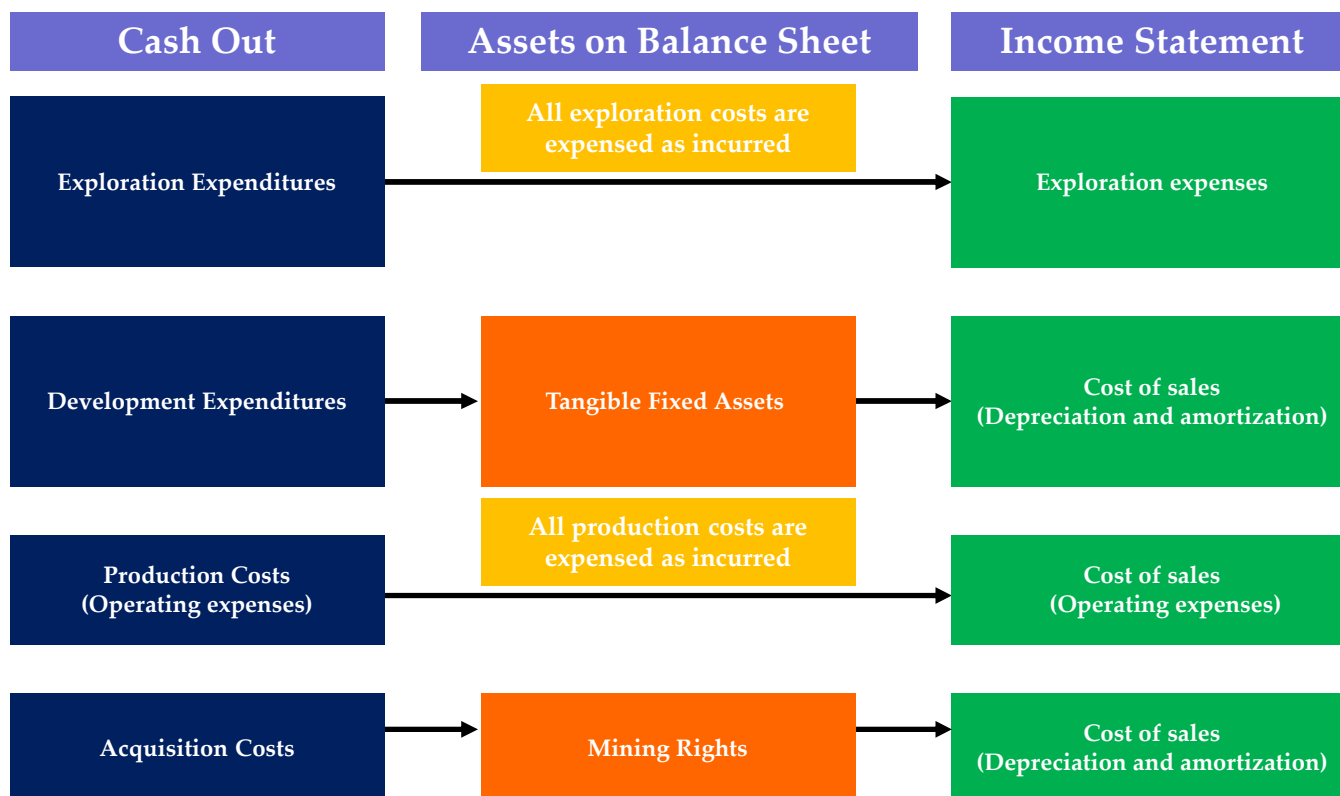
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## Accounting on Production Sharing Contract



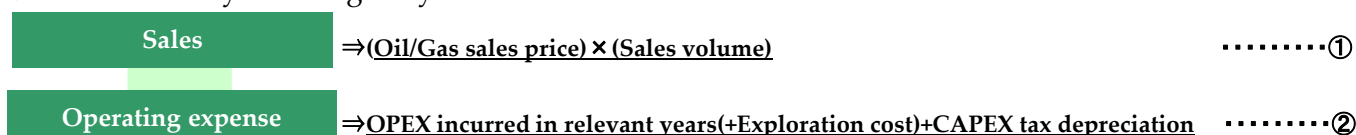
# Accounting on Concession Agreement **INPEX**



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## Taxation Summary in Australia **INPEX**

※The content may be changed by tax revisions



Corporate Tax  
(In Australia)

### PRRT(Petroleum Resource Rent Tax)

=(Upstream Revenue – Upstream Capex & Opex – Expl. Cost – Abandonment Cost – undeducted carried forward PRRT expenditure) × 40% .....③

•PRRT deductions are made in the following order: Upstream Capex, Opex, Expl. Cost, Abandonment Cost.

*Note: Exploration cost is subject to mandatory transfer between Projects/members of same group of entities.*

**•Undeducted PRRT Expenditure: non-utilised PRRT deductible expenditure can be carried forward to the following year(s), which is subject to augmentation at the rates set out below:**

Development cost: LTBR+5%; Expl. Cost: LTBR+15%;

\*GDP Factor applies to all expenditure incurred more than 5 years before the Production Licence application is made.

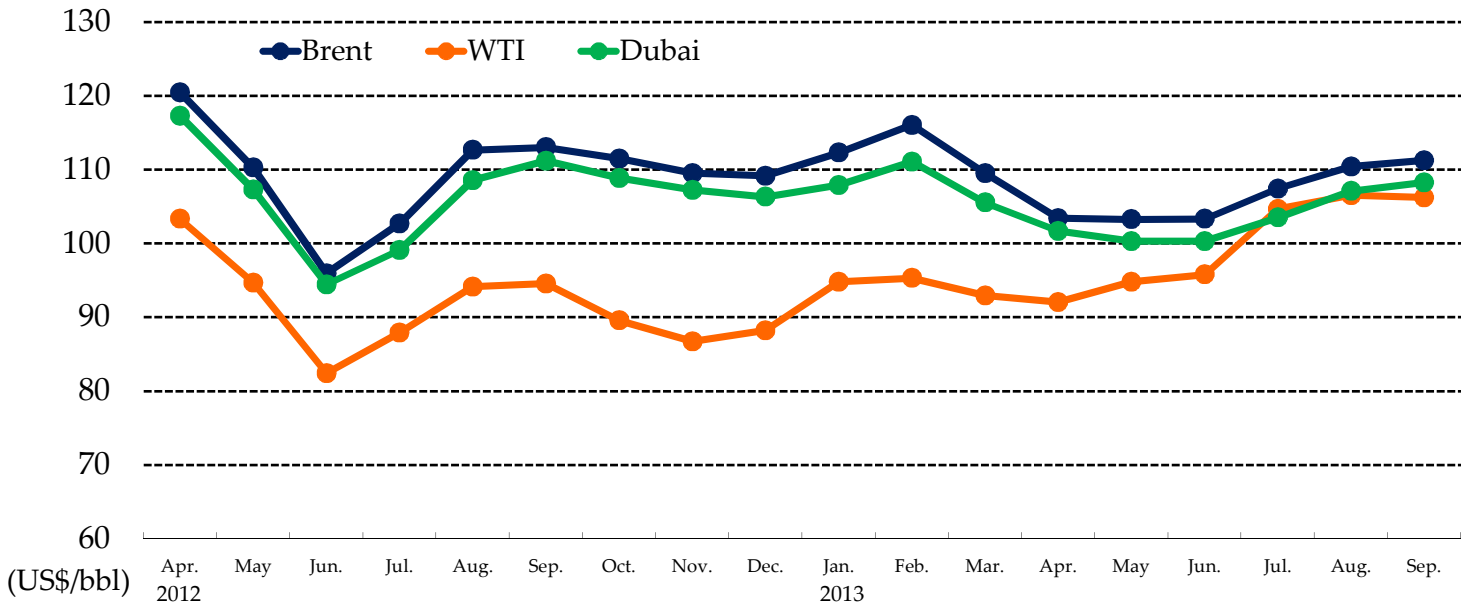
\*LTBR = Long Term Bond Rate

\*GDP Factor = GDP Deflator of Australia

**Corporate Tax = (① – ② – ③ – Interest paid) × 30%**

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# Crude Oil Prices



|       | Apr.-Sep. 2012 | Apr. 2012 -Mar. 2013 | 2013   |        |        |        |        |        | Apr.-Sep. 2013 |
|-------|----------------|----------------------|--------|--------|--------|--------|--------|--------|----------------|
|       | Average        | Average              | Apr.   | May    | Jun.   | Jul.   | Aug.   | Sep.   | Average        |
| Brent | 109.19         | 110.28               | 103.43 | 103.28 | 103.34 | 107.43 | 110.45 | 111.25 | 106.53         |
| WTI   | 92.85          | 92.06                | 92.07  | 94.80  | 95.80  | 104.70 | 106.54 | 106.24 | 100.02         |
| Dubai | 106.33         | 107.09               | 101.68 | 100.33 | 100.32 | 103.52 | 107.11 | 108.28 | 103.54         |

## Stock split and reduction in investment unit

- Conducted to split an common stock in the ratio of 1:400 effective on October 1, 2013, and to adopt a share unit system with 100 shares defined as a single investment unit.
- As a result of these initiatives, the investment unit amount of the Company's shares was one quarter of what it had been before the stock split and adoption of the share unit system, making it easier for individual investors to trade shares of the Company's stock.

