
Financial results for the year ended March 31, 2018
Appendix

INPEX CORPORATION

May 11, 2018

Subsidiaries and Affiliates

64 consolidated subsidiaries

Major subsidiaries	Country/region	Ownership	Stage	Accounting term
Japan Oil Development Co., Ltd.	UAE	100%	Production	March (provisional settlement of account)
JODCO Onshore Limited	UAE	51 %	Production	December
JODCO Lower Zakum Limited	UAE	100%	Production	December
INPEX Sahul, Ltd.	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, Ltd.	Azerbaijan	51%	Production	March (provisional settlement of account)
INPEX North Caspian Sea, Ltd.	Kazakhstan	51%	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/ Evaluation	December

20 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	December
INPEX Offshore North Campos, Ltd.	Brazil	37.5%	Production	December
Ichthys LNG Pty Ltd	Australia	62.245%	Development	March (provisional settlement of account)

Segment information



For the year ended March 31, 2018 (April 1, 2017 through March 31, 2018)

(Millions of yen)

	Reportable segments						Adjustments *1	Consolidated *2
	Japan	Asia & Oceania	Eurasia (Europe & NIS)	Middle East & Africa	Americas	Total		
Sales to third parties	120,059	148,836	88,597	565,243	10,964	933,701	-	933,701
Segment income (loss)	25,256	28,405	21,395	305,055	(10,656)	369,456	(12,093)	357,363
Segment assets	303,133	2,343,012	622,221	511,194	57,186	3,836,747	418,818	4,255,565

Note:

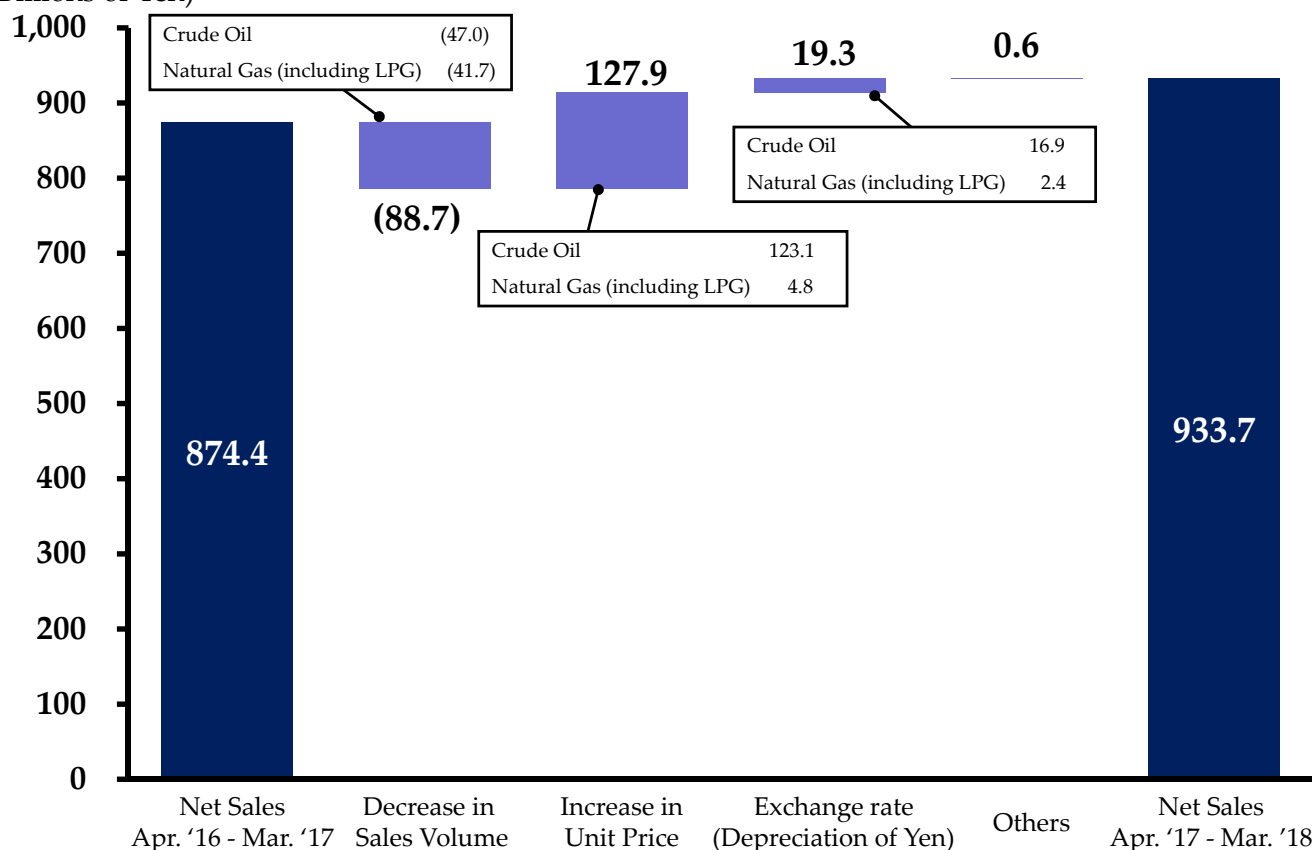
- (1) Adjustments of segment income of ¥(12,093) million include elimination of inter-segment transactions of ¥17 million and corporate expenses of ¥(12,110) million. Corporate expenses are mainly amortization of goodwill that are not allocated to a reportable segment and general administrative expenses.
 - (2) Adjustments of segment assets of ¥418,818 million include elimination of intersegment transactions of ¥(2) million and corporate assets of ¥418,820 million. Corporate assets are mainly goodwill, cash and deposit, investment securities and assets concerned with the administrative divisions not attributable to a reportable segment.
2. Segment income is reconciled with operating income on the consolidated statement of income.

2

Analysis of Net Sales Increase for the year ended March 31, 2018



(Billions of Yen)



3

LPG Sales

	Apr. '16- Mar. '17	Apr. '17 - Mar. '18	Change	%Change
Net sales (Billions of yen)	6.7	6.0	(0.7)	(10.8%)
Sales volume (thousand bbl)	1,860	1,186	(674)	(36.2%)
Average unit price of overseas production (\$/bbl)	33.93	45.42	11.49	33.9%
Average unit price of domestic production (¥/kg)	56.51	75.38	18.87	33.4%
Average exchange rate (¥/\$)	107.34	112.06	4.72yen depreciation	4.4% depreciation

Sales volume by region (thousand bbl)	Apr. '16 - Mar. '17	Apr. '17 - Mar. '18	Change	%Change
Japan	5 (0.5 thousand ton)	5 (0.5 thousand ton)	0 (+0.0 thousand ton)	2.9%
Asia & Oceania	1,855	1,181	(674)	(36.3%)
Eurasia (Europe & NIS)	-	-	-	-
Middle East & Africa	-	-	-	-
Americas	-	-	-	-
Total	1,860	1,186	(674)	(36.2%)

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Other Income/Expenses

(Billions of Yen)	Apr. '16 - Mar. '17	Apr. '17 - Mar. '18	Change	%Change	
Other income	39.0	55.2	16.1	41.4%	
Interest income	10.4	6.4	(3.9)	(38.1%)	
Dividend income	2.8	4.7	1.9	70.5%	
Gain on sales of investment securities	4.9	-	(4.9)	-	
Equity in earnings of affiliates	2.1	4.1	2.0	92.7%	
Gain on reversal of allowance for recoverable accounts under production sharing	-	17.5	17.5	-	Mainly attributed to gain on reversal of allowance for Kashagan
Compensation income	-	12.6	12.6	-	Compensation for termination of Ecuador's Block 18
Other	18.6	9.6	(8.9)	(48.2%)	
Other expenses	41.6	25.3	(16.2)	(39.1%)	
Interest expense	5.2	7.0	1.8	35.3%	
Provision of allowance for doubtful accounts	8.3	-	(8.3)	-	
Provision for allowance for recoverable accounts under production sharing	14.3	-	(14.3)	-	Mainly attributed to absence of losses associated with the sale of shares in INPEX Natuna Ltd.
Provision for loss on business	-	3.2	3.2	-	
Foreign exchange loss	3.7	10.4	6.7	178.6%	
Other	9.9	4.5	(5.4)	(54.4%)	

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EBIDAX



(Millions of yen)	Apr. '16 – Mar. '17	Apr. '17 – Mar. '18	Change	Note
Net income attributable to owners of parent	46,168	40,362	(5,806)	P/L
Net income (loss) attributable to non-controlling interests	9,963	(42,462)	(52,425)	P/L
Depreciation equivalent amount	177,792	153,030	(24,762)	
Depreciation and amortization	91,159	92,805	1,646	C/F Depreciation under concession agreements and G&A
Amortization of goodwill	6,760	6,760	-	C/F
Recovery of recoverable accounts under production sharing (capital expenditures)	79,873	53,465	(26,408)	C/F Depreciation under PS contracts
Exploration cost equivalent amount	21,108	(16,201)	(37,309)	
Exploration expenses	6,734	1,327	(5,407)	P/L Exploration expense under concession agreements
Gain on reversal of allowance for recoverable accounts under production sharing	-	(17,528)	(17,528)	P/L Exploration expense under PS contracts
Provision for allowance for recoverable accounts under production sharing	14,374	-	(14,374)	P/L Exploration expense under PS contracts
Material non-cash items	(21,965)	92,066	114,031	
Income taxes-deferred	(33,227)	1,048	34,275	P/L
Foreign exchange loss (gain)	4,896	11,048	6,152	C/F
Impairment loss	6,366	79,970	73,604	P/L
Net interest expense after tax	(3,767)	430	4,197	P/L After-tax interest expense minus interest income
EBIDAX	229,299	227,225	(2,074)	

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Analysis of Recoverable Accounts under Production Sharing



(Millions of yen)	Mar. '17	Mar. '18	Note
Balance at beginning of the period	727,771	659,201	
Add:			
Exploration costs	9,461	3,832	Mainly Iraq Block10
Development costs	39,928	16,869	Mainly ACG and Kashagan
Operating expenses	55,514	37,396	Mainly ACG, Kashagan and Mahakam
Other	6,969	8,551	
Less:			
Cost recovery (CAPEX)	79,873	53,465	Mainly ACG and Mahakam
Cost recovery (non-CAPEX)	73,414	52,019	Mainly ACG, Kashagan and Mahakam
Other	27,156	31,267	Mainly Natuna (excluded from the scope of consolidation)
Balance at end of the period	659,201	589,098	Mainly Kashagan
Less allowance for recoverable accounts under production sharing at end of the period	120,543	81,625	

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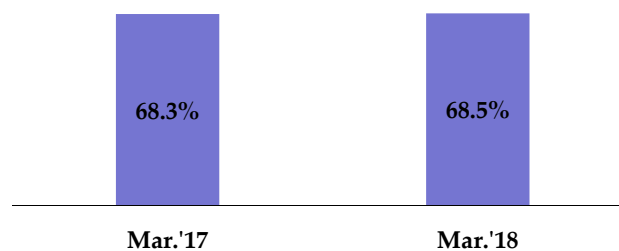
Financial Indices



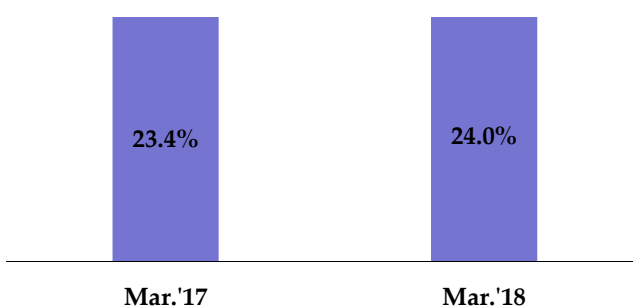
Net Debt/Total Capital Employed (Net)*



Equity Ratio**



D/E Ratio***



* Net Debt/Total Capital Employed (Net) = (Interest-bearing debt - Cash and deposits - Public and corporate bonds and other debt securities (with determinable value) - Long term time deposits)/(Net assets + Interest-bearing debt - Cash and deposits - Public and corporate bonds and other debt securities (with determinable value) - Long term time deposits)

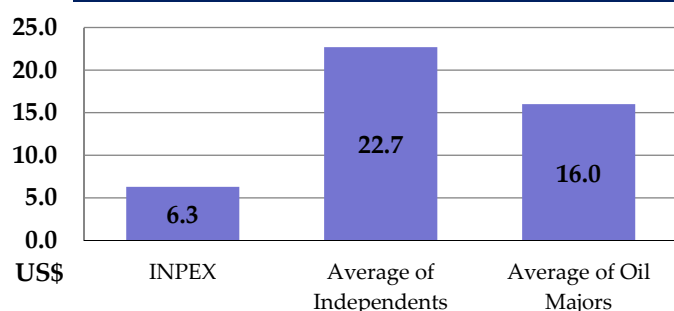
** Equity Ratio = (Net assets - Non-controlling interests)/Total assets

*** D/E Ratio = Interest-bearing debt/ (Net asset - Non-controlling interests)

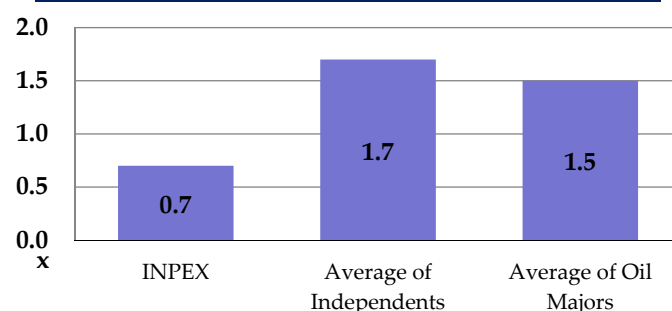
Valuation Indices



EV/Proved Reserves*



PBR**



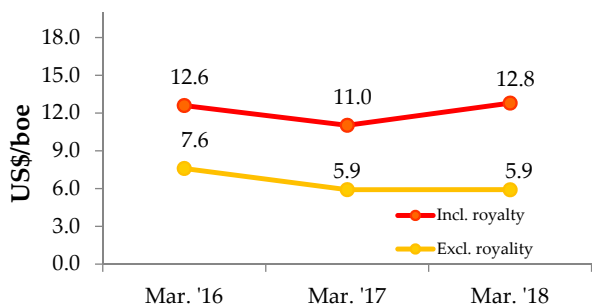
* EV (Enterprise Value) / Proved Reserves = (Total market value + Total debt - Cash and cash equivalent + Non-controlling interests) / Proved Reserves. Total market value as of 31/03/2018. Financial data and Proved Reserves for INPEX as of 31/03/2018. Financial data and Proved Reserves for Independents and Oil Majors as of 31/12/2017. Sources based on public data.

** PBR = Stock price / Net asset per share. Total market value as of 31/03/2018. Financial data for INPEX as of 31/03/2018. Financial data for Independents and Oil Majors as of 31/12/2017. Sources based on public data.

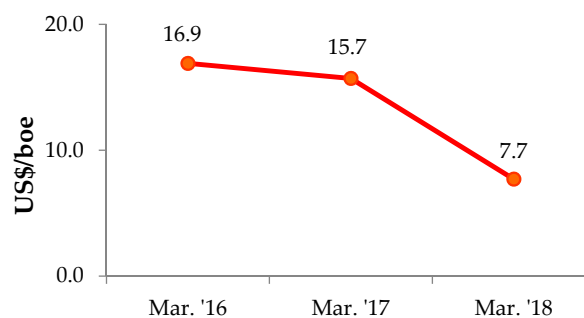
Reserves/Production Indices



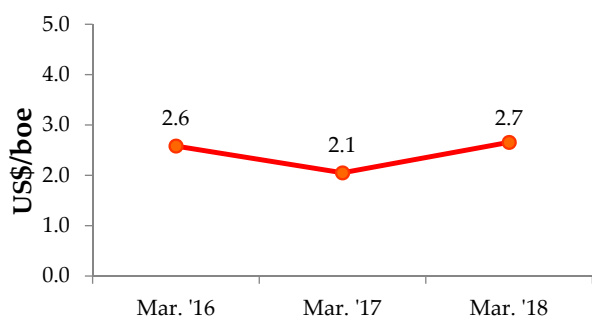
Production Cost per BOE Produced*



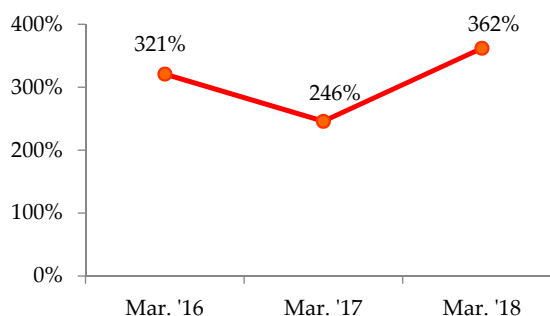
Finding & Development Cost per BOE (3-year average)



SG&A Cost per BOE Produced



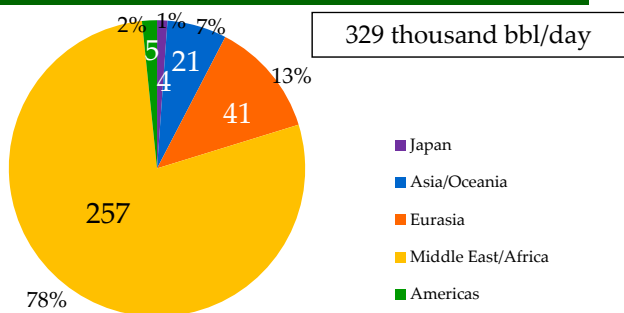
Reserve Replacement Ratio (3-year average)



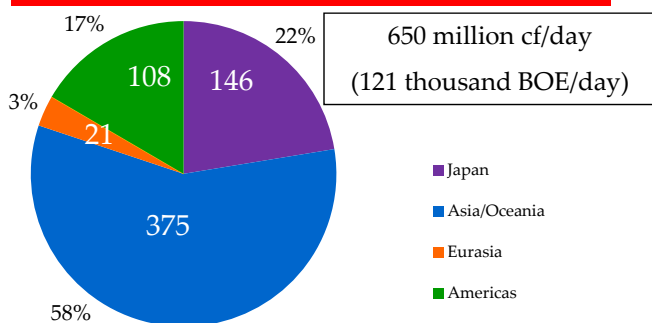
* Mar. '16 & Mar. '17 production costs have been revised to reflect changes in royalty.

Net Production* (Apr. 2017 – Mar. 2018)

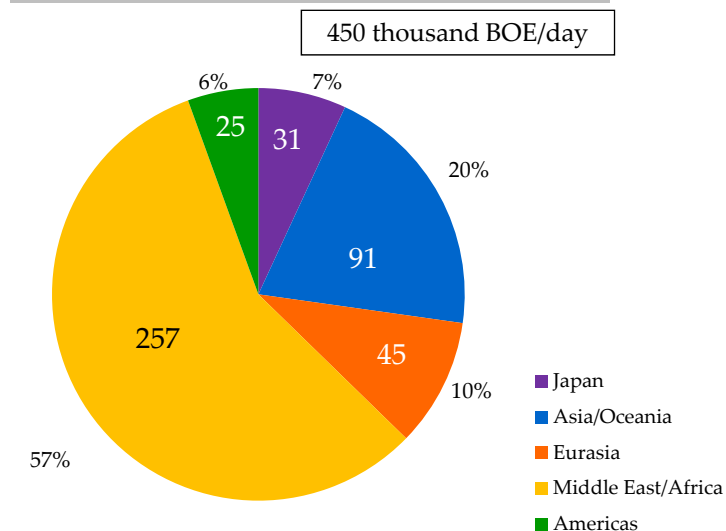
Oil/Condensate/LPG



Natural Gas

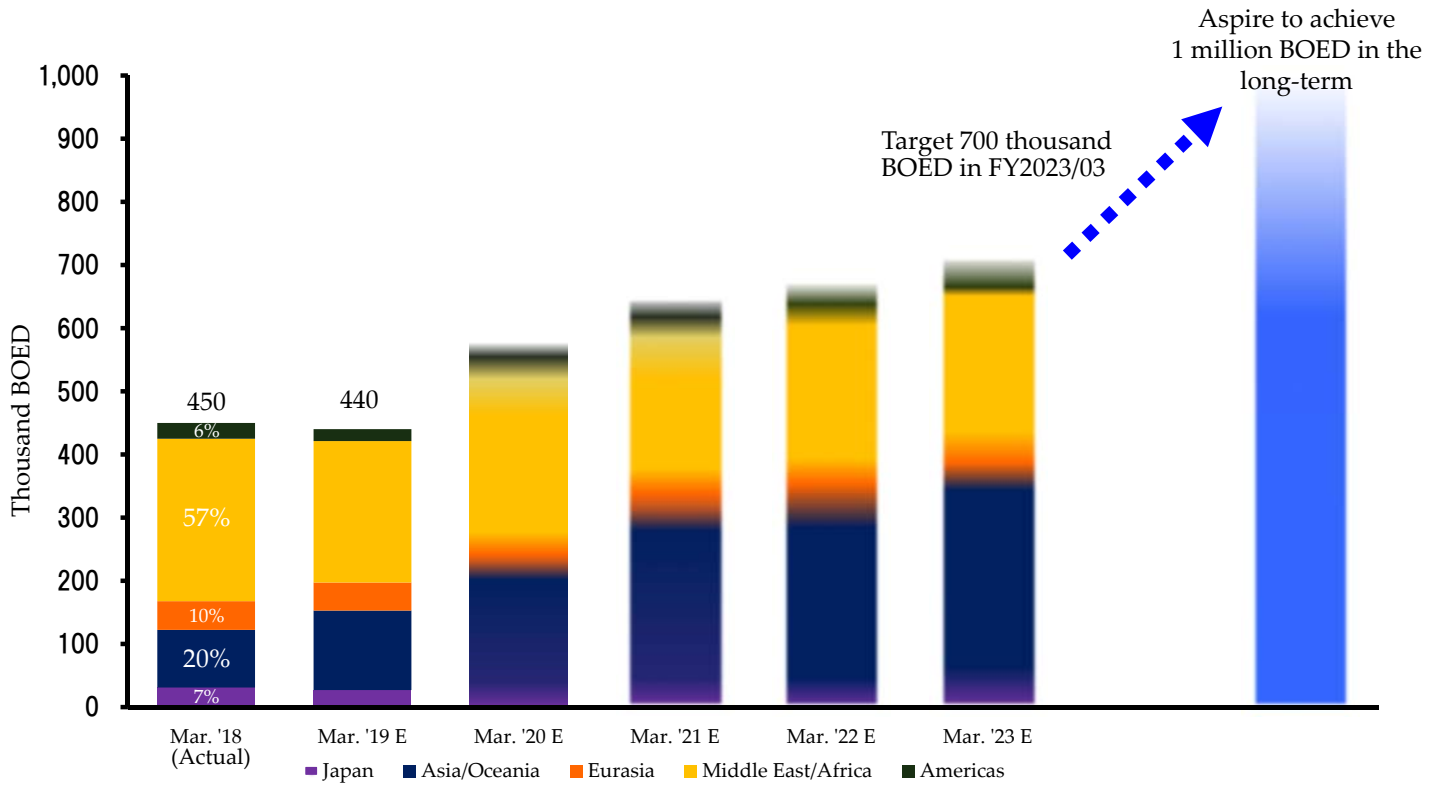


Total



* The production volume of crude oil and natural gas under the production sharing contracts entered into by the INPEX Group corresponds to the net economic take of the INPEX Group.

Net Production* Volume Projection

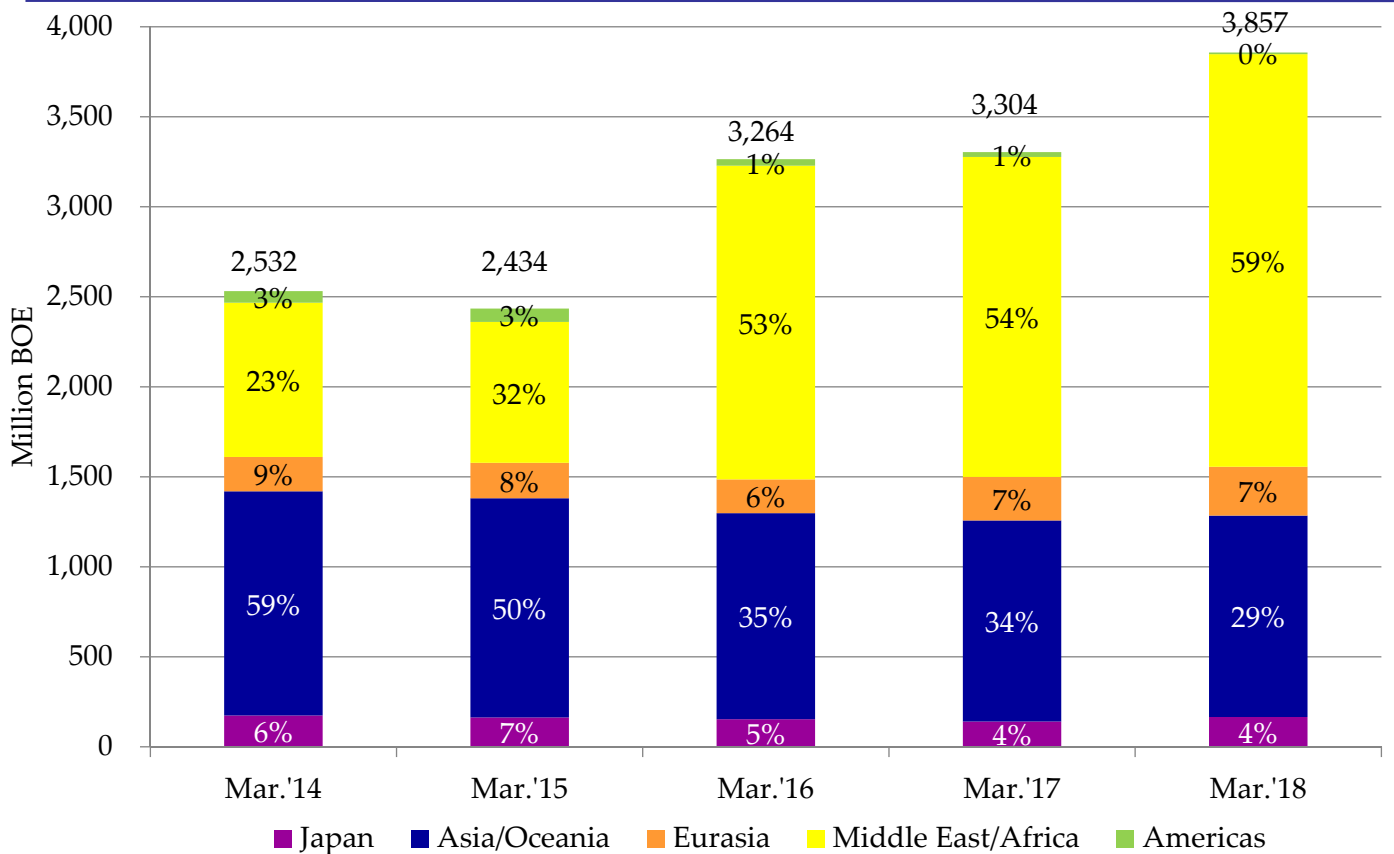


Note: Assumed Brent crude oil price range for net production projection : \$50~\$70/bbl (As with Medium-term Business Plan 2018-2022)

* The production volume of crude oil and natural gas under the production sharing contracts entered into by the INPEX Group corresponds to the net economic take of the Group.

*12 The production volume of crude oil and natural gas after Mar. '18 will fluctuate according to oil and gas prices and project status

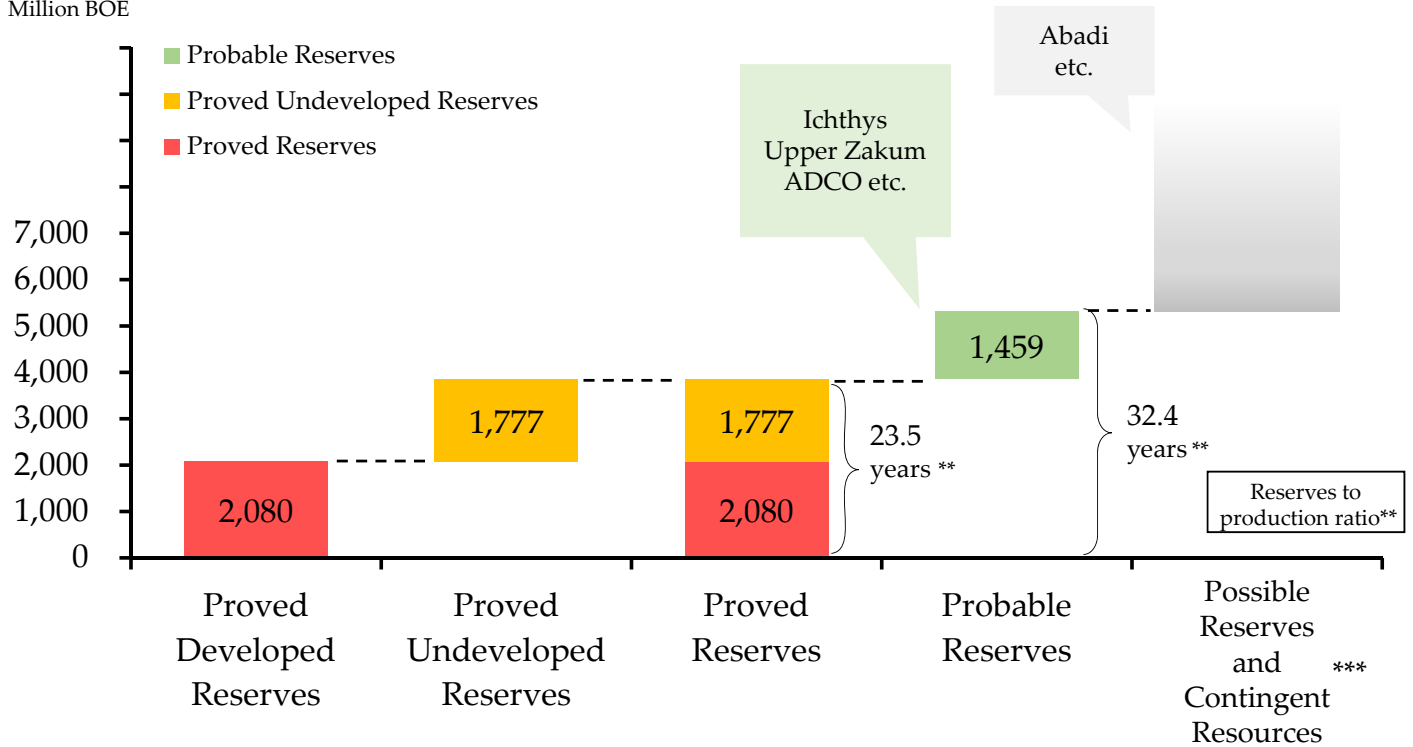
Proved Reserves by Region *



Upside Potential from Proved + Probable Reserves*



Million BOE



* The definitions of proved, probable and possible reserves are listed on page 54-55.

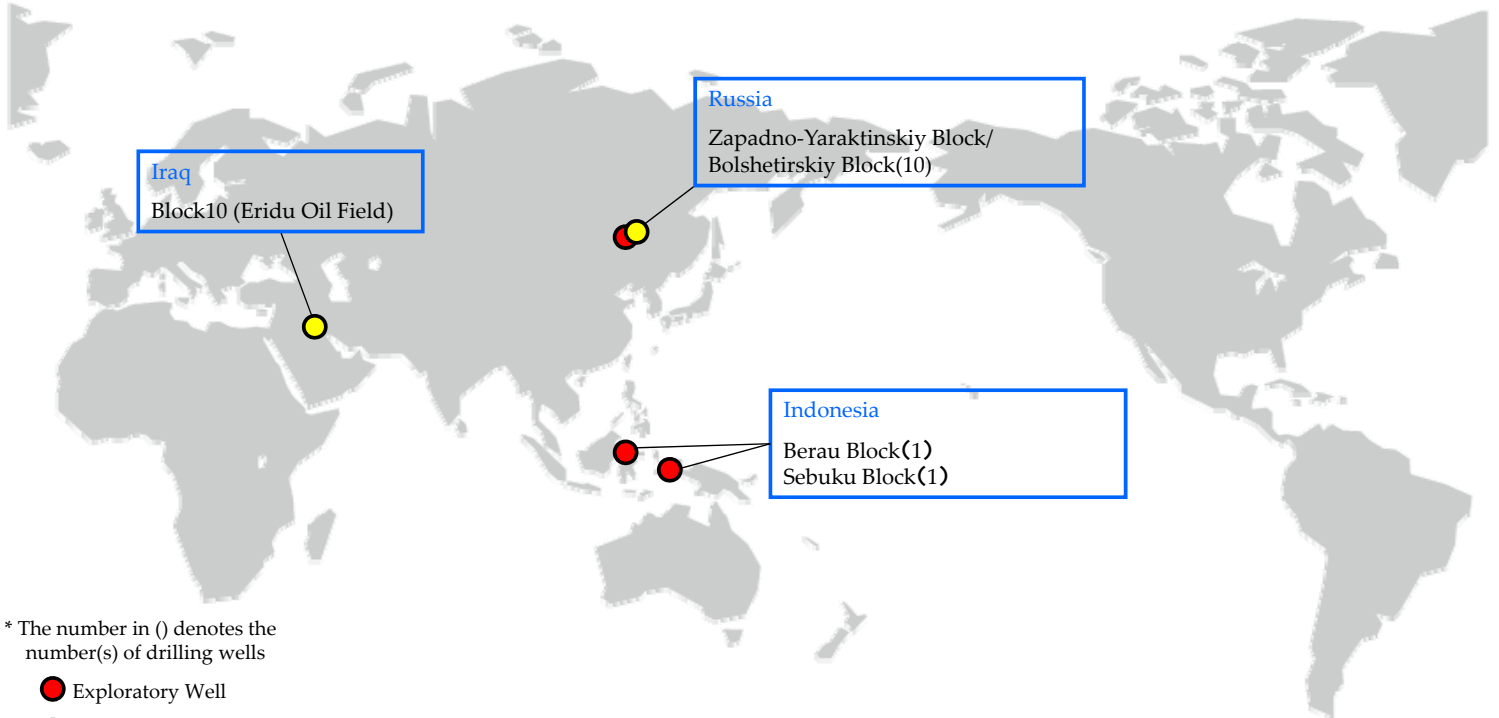
** Reserves to production ratio= Reserves as of March 31, 2018/ Production for the year ended March 31, 2018

*** Contingent Resources are estimated by INPEX. Under the SPE-PRMS standard, contingent resources are quantities of hydrocarbons which are estimated to be potentially recoverable from known accumulations, but which are not currently considered to be commercially recoverable due to one or more contingencies.



Project Summary

FY 2019/03 Exploration Work Programs* **INPEX**



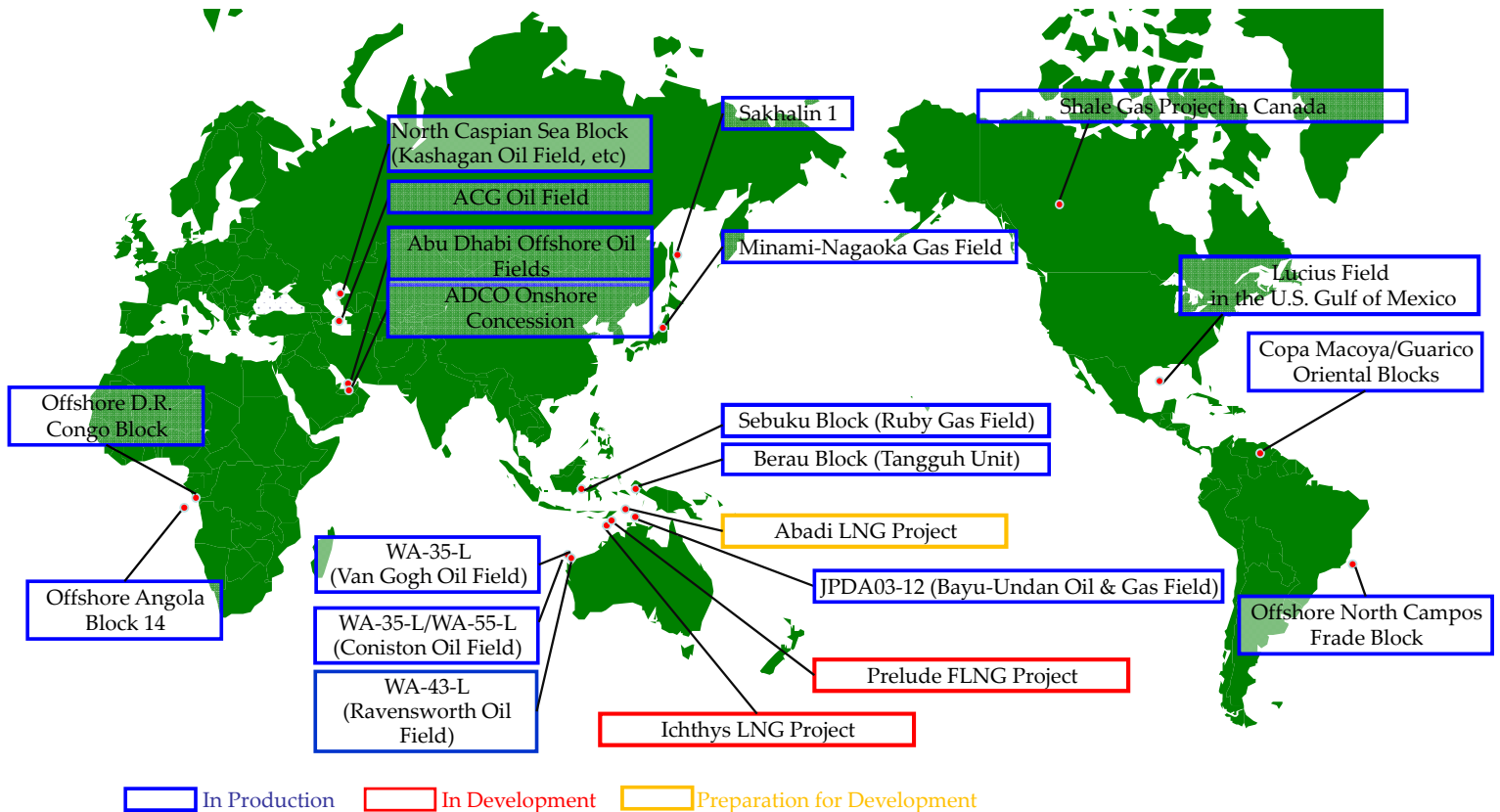
* The number in () denotes the number(s) of drilling wells

- Exploratory Well
- Delineation Well

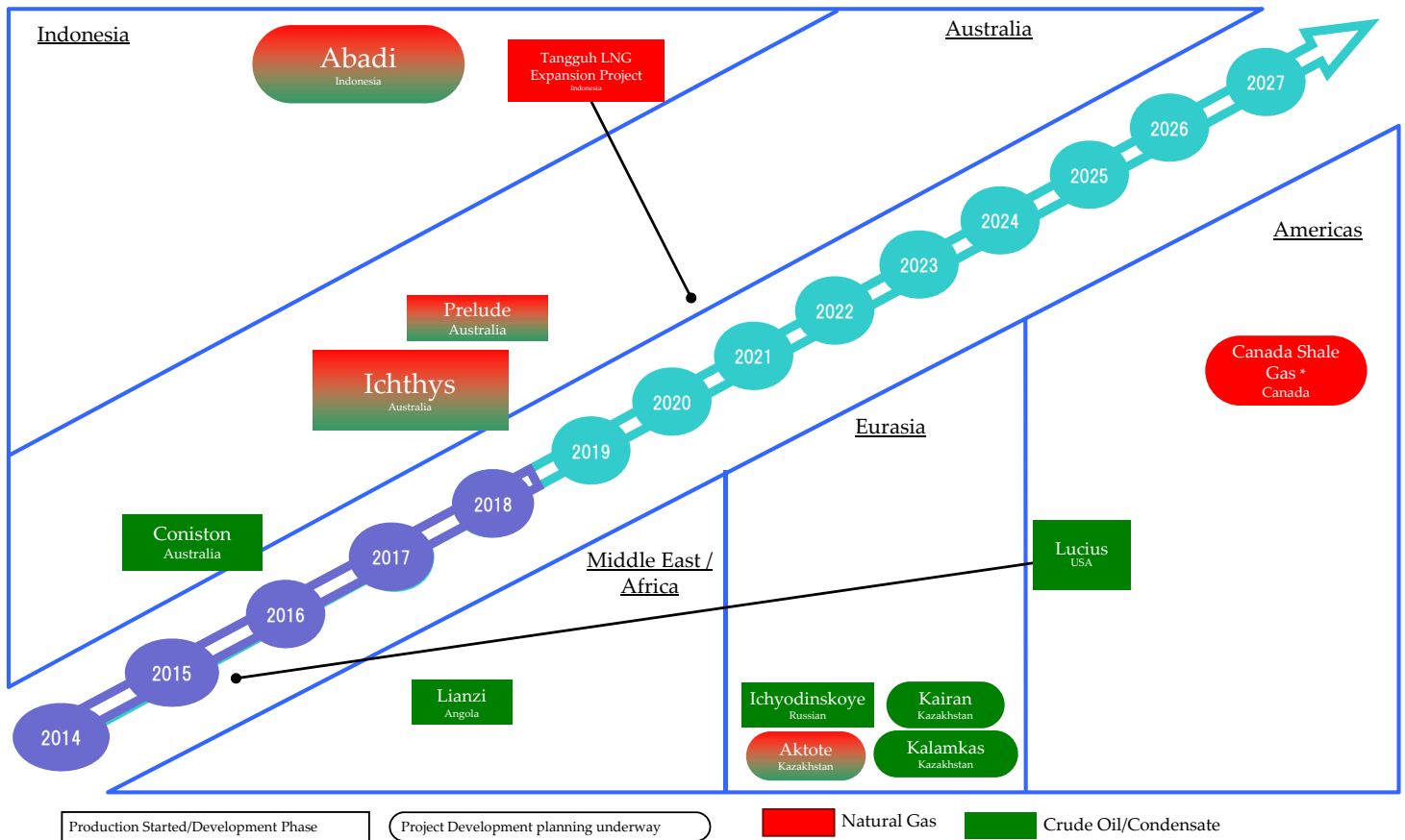
** Appraisal wells are not disclosed and detailed exploration work programs for several projects are not disclosed due to obligation of confidentiality etc.

	Exploration Expenditure (Billions of Yen)	Exploratory Wells (wells)	Delineation Wells (wells)	Seismic Survey 2D (km)	Seismic Survey 3D (km ²)
Mar. '18	4.9	0	9	3,842	3,483
Mar. '19 (E)	13.0	5	7	12,190	78

Major Assets in Production & Development **INPEX**

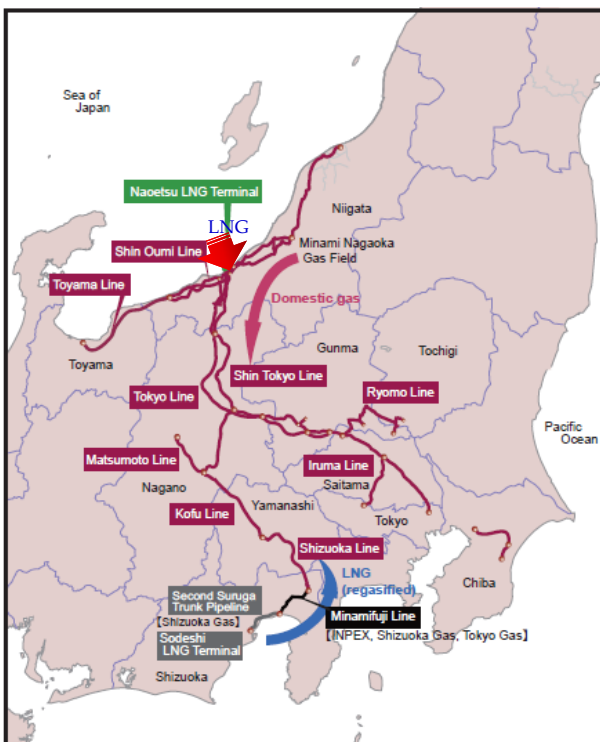


Production Start-up Schedule



18 * Partially in production

Natural Gas Business in Japan



-Production volume* :

- Natural gas: approx. 3.9 million m³/d (146 million scf/d)**
- Crude oil and condensate: approx. 4,000 bbl/d

-Natural Gas Sales

- FY 2018/03: approx. 2,120 million m³**
- FY 2019/03(e): approx. 2,210 million m³**
- Distribution outlook: 2,500 million m³ per year in the first half of the 2020s, 3,000 million m³ per year in the long-term

-Gas Supply Chain

- Started commercial operations at Naoetsu LNG Terminal in December 2013
- Toyama Line completed in June 2016

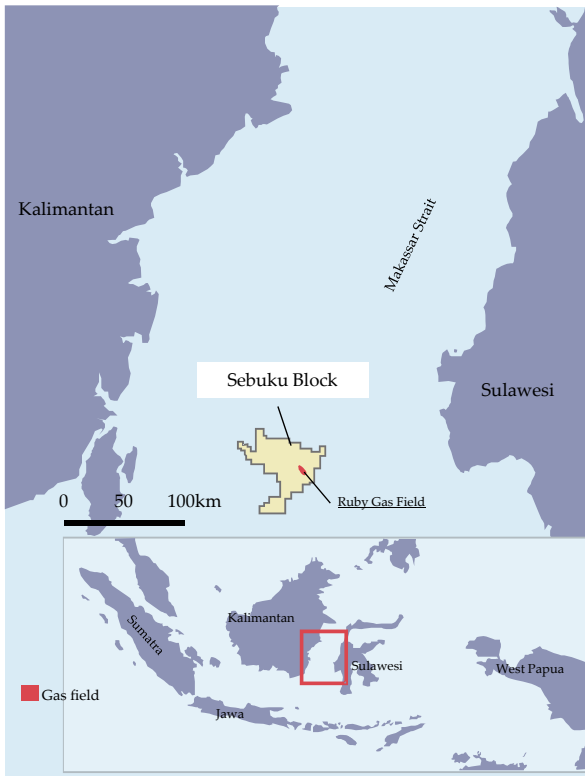
*sum of crude oil and gas fields in Japan: average daily volume for the six months ended Mar. 31, 2018

**1m³ =41.8605MJ

Sebuku Block (Ruby Gas Field)

INPEX South Makassar, Ltd.

INPEX



- Participating Interest: 15%
(Operator : PEARLOIL (Mubadala))
- Production volume*:
 - Natural Gas** : Approximately 105 million cf/d
- PSC: Until 2027
- FOA (Farm Out Agreement) with PEARLOIL was approved by the Indonesian government in September 2010.
- FID (Final Investment Decision) in June 2011
- Offshore facilities tied in to the onshore facilities of the Offshore Mahakam Block by subsea pipeline.
- Produced gas is mainly supplied to domestic fertilizer plants in Indonesia.
- Production commenced in October 2013.

* on the basis of all fields and average rate for Mar. 2018

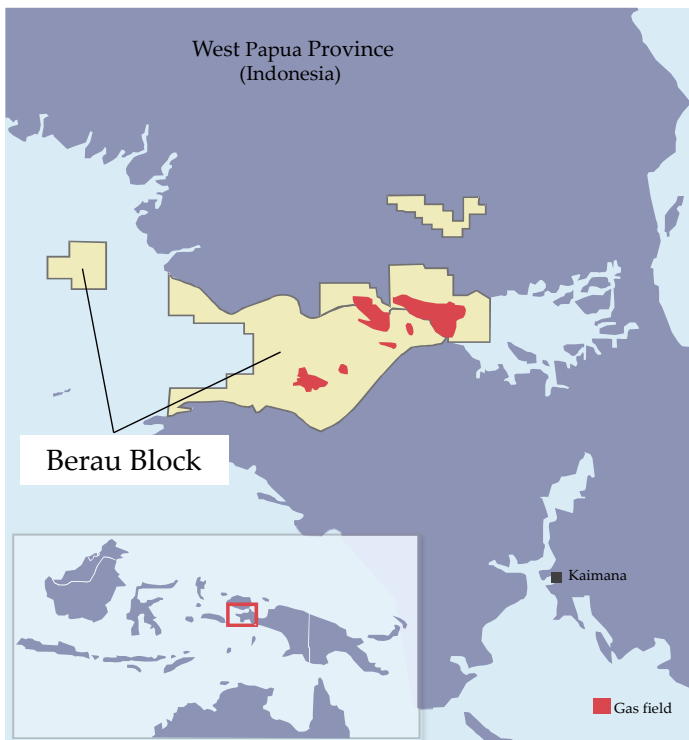
** Volume not at wellheads but corresponding to the sales to buyers

20

Berau Block (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 Corp. 56%)
 - *MI Berau Japan owns a share of approximately 16.5% in KG Berau Petroleum Ltd.
- Participating Interest:
 - MI Berau: 16.3% of Tangguh Unit
 - KG Berau Petroleum: 8.56% of Tangguh Unit
(Operator: BP)
- Production volume*:
 - Condensate: Approximately 5,000 bbl/d
 - Natural Gas: Approximately 985 million cf/d
 - PSC: Until 2035
- LNG production capacity: 7.6 million tons per year
- LNG sales started in July 2009
- Made FID for an expansion project to add a third LNG train with a 3.8 million t/y production capacity in July 2016

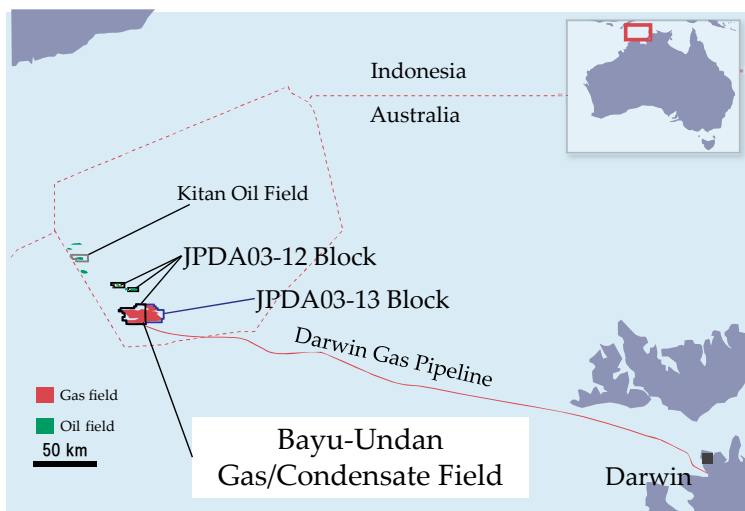
* on the basis of all fields and average rate for Mar. 2018

** Volume not at wellheads but corresponding to the sales to buyers

21

JPDA03-12 /JPDA03-13 Block (Bayu-Undan Gas Condensate Field)

INPEX Sahul, Ltd.



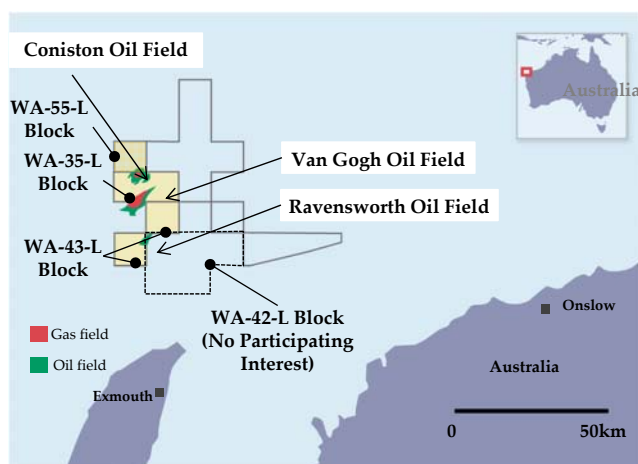
- Participating Interest: 11.378120% (Operator: ConocoPhillips)
- Production volume*:
 - Condensate: Approximately 10,000 bbl/d
 - LPG: Approximately 8,000 bbl/d
 - Natural Gas**: Approximately 590 million cf/d
- PSC: Until 2022
- Sales of condensate and LPG started in February 2004
- Entered into an LNG Sales Contract with TEPCO (currently JERA) 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 for Mar. 2018

** Volume not at wellheads but corresponding to the sales to buyers

Van Gogh, Coniston and Ravensworth oil fields

INPEX Alpha, Ltd.



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

- Participating Interest: 47.499% (Operator: Quadrant Energy)
- Concession Agreement: Valid until end of production
- Production volume*:
 - Crude Oil: Approximately 7,000bbl/d
- Van Gogh Oil Field: Production started in February 2010
- Coniston Oil Field: Production started in May 2015
- Novara Structure (Coniston Oil Field): Production started in July 2016

Ravensworth Oil Field (WA-43-L)

- Participating Interest: 28.5% (Operator : BHPBP)
- Production volume*:
 - Crude Oil: Approximately 7,000bbl/d
- Concession Agreement: Valid until end of production
- Tied in to the production facilities of the adjacent WA-42-L block
- Production started in August 2010

* on the basis of all fields and average rate for Mar. 2018

Ichthys LNG Project Overview

- Marketing:
 - ✓ LNG: Secured LNG SPAs covering 8.4 million t/y of LNG
 - ✓ LPG: Secured LPG SPA covering INPEX's share, etc.
- Key permits:
 - ✓ All environmental, pipeline and production licenses obtained
- Project Financing:
 - ✓ US\$ 20 billion project financing agreements with ECAs and major commercial banks completed in December 2012

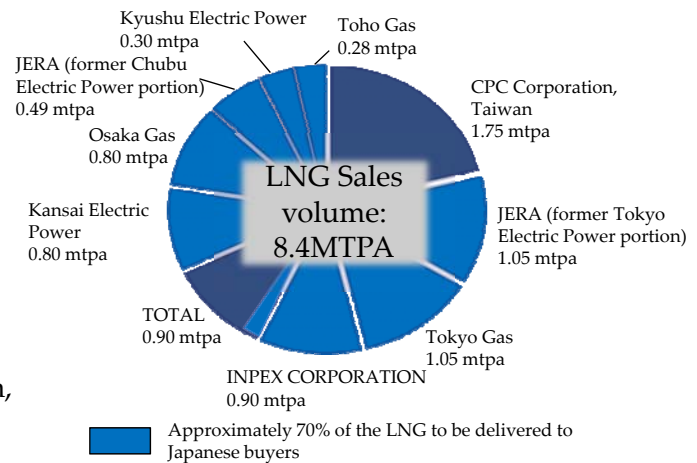
- EPC work: Major EPC contracts awarded

Upstream

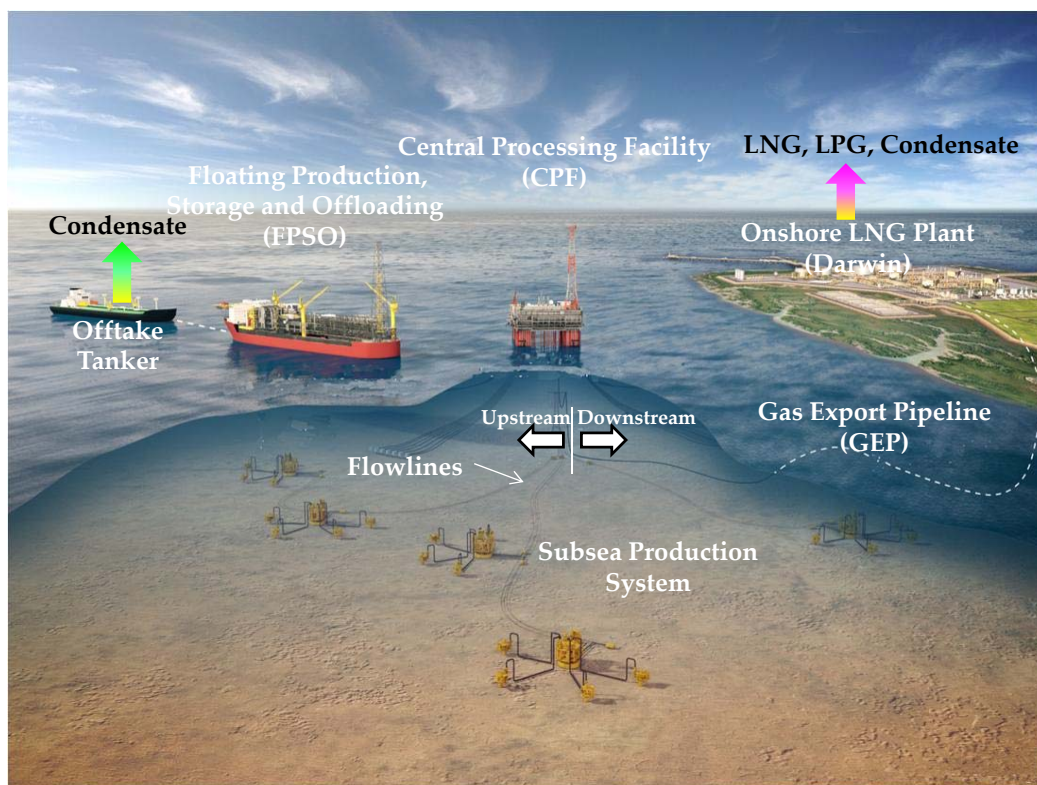
CPF: Samsung Heavy Industries,
FPSO: Daewoo Shipbuilding & Marine Engineering,
Subsea Production System (SPS): GE Oil & Gas,
Umbilical, Riser and Flowline (URF): McDermott

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 Harbour: Van Oord,
Instrumentation and Control System: Yokogawa Electric (including upstream facilities)



Ichthys LNG Project Development Concept



Ichthys LNG Project Progress on offshore facilities ①

INPEX



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Ichthys LNG Project Progress on offshore facilities ②

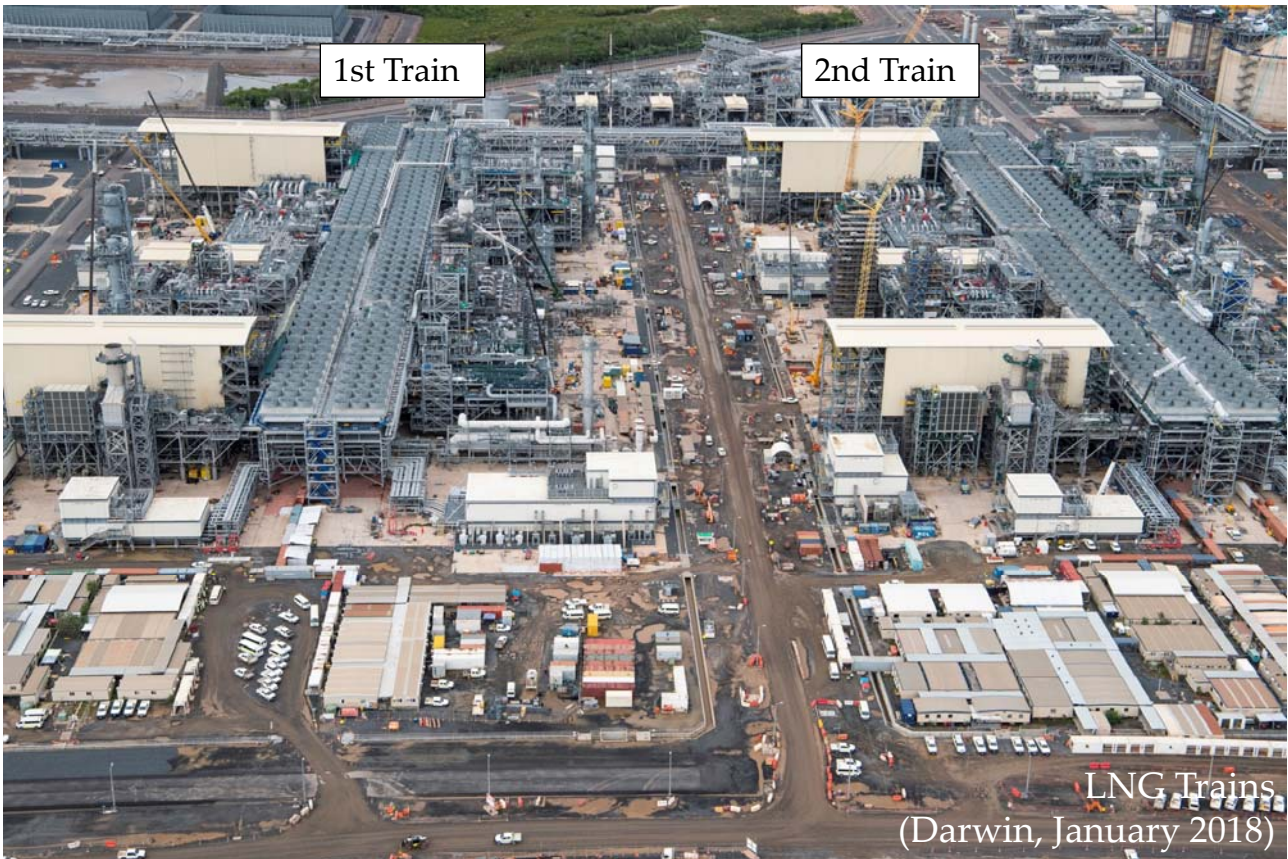
INPEX



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Ichthys LNG Project Progress on onshore facilities①

INPEX



28

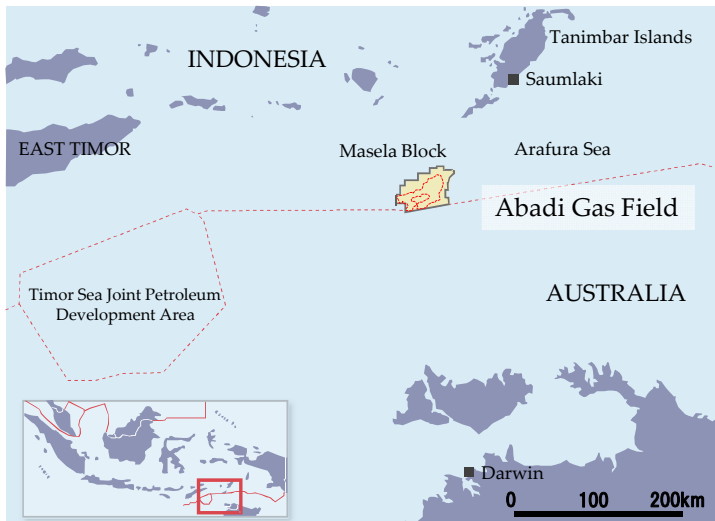
Ichthys LNG Project Progress on onshore facilities②

INPEX



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Abadi LNG Project

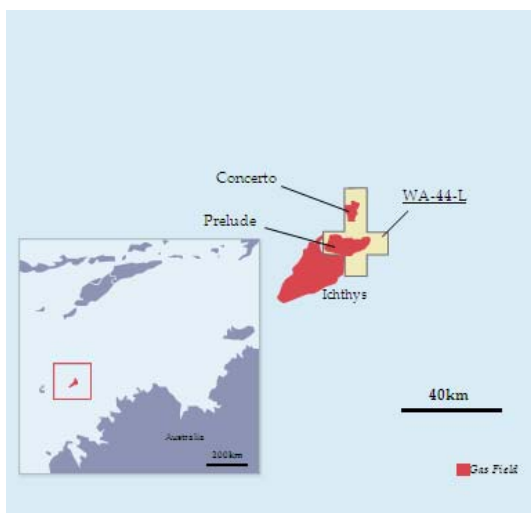


- Participating Interest
 - INPEX(Operator): 65%, Shell: 35%
- Current phase: Preparation for Development

- Received notification from the Indonesian government instructing to re-propose a plan of development based on onshore LNG in April 2016
- Undertaking Pre-FEED work based on an onshore LNG development scheme with an annual LNG production capacity of 9.5 million tons as of March 2018
- Listed by the Indonesian government as a national strategic project in June 2017 and as a priority infrastructure project in September 2017.
- Strategic alliance with Shell
 - Shell provides technical and human resources support
- PS Contract requires transfer of 10% participating interest to an Indonesian Participant to be designated by the Indonesian government.
- PSC: Until 2028

Prelude FLNG Project

INPEX Oil & Gas Australia Pty Ltd.

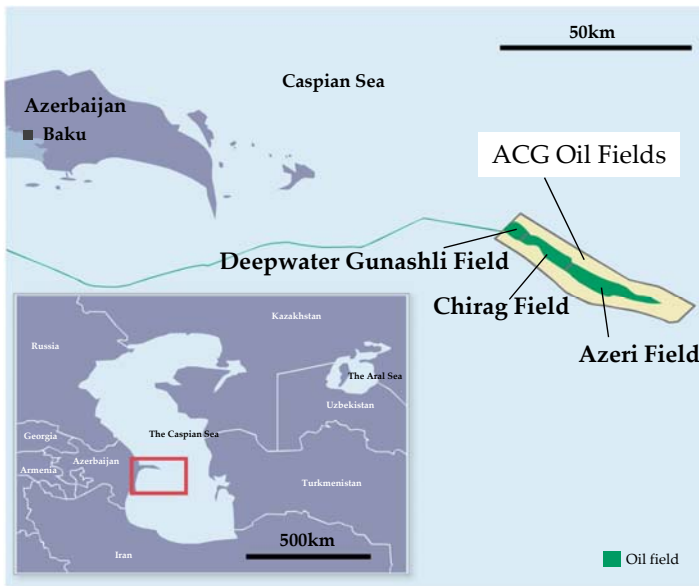


FLNG

- Participating Interest: 17.5% (Operator: Shell)
- Reserves: approximately 3 trillion cf of natural gas (Prelude and Concerto gas fields)
- Production volume: 3.6 million t/y of LNG, along with approx. 0.4 million t/y of LPG and approx. 36,000 bbl/d of condensate at peak
- FID made in May 2011
- Floating LNG facility (FLNG) sailed away from its construction site in Geoje, South Korea in June 2017, and arrived in Australian waters in July.
- FLNG has been moored and is undergoing commissioning.
- Reached agreements on LNG sales and purchases with JERA (approx. 0.56 MTPA) and Shizuoka Gas (approx. 0.07 MTPA) respectively from INPEX's equity portion of the project's LNG output (approx. 0.63MTPA)

ACG Oil Fields

INPEX Southwest Caspian Sea, Ltd.



- Participating Interest: 9.3072%* (Operator: BP)
- Production volume**
 - Crude Oil: Approximately 588,000 bbl/d
- PSC: Until 2049***
- Started oil production in the Chirag Field in 1997
- Started oil production in the central section of the Azeri Field in February 2005
- Started oil production in the western section of the Azeri Field in December 2005
- Started oil production in the eastern section of the Azeri Field in October 2006
- Started oil production in the Deepwater Gunashli Field in April 2008
- Started oil production in the western section of the Chirag Field in January 2014

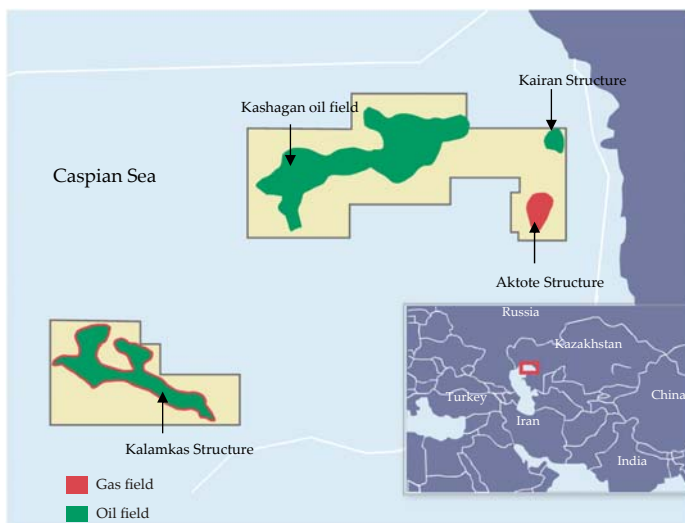
* INPEX's participating interest has changed to 9.3072% as a result of the extension and amendment of the PSA effective January 1, 2018.

** on the basis of all fields and average daily volume for 2017

*** The extension of the PSA until 2049 was agreed in 2017.

Kashagan Oil Field, others

INPEX North Caspian Sea, Ltd.



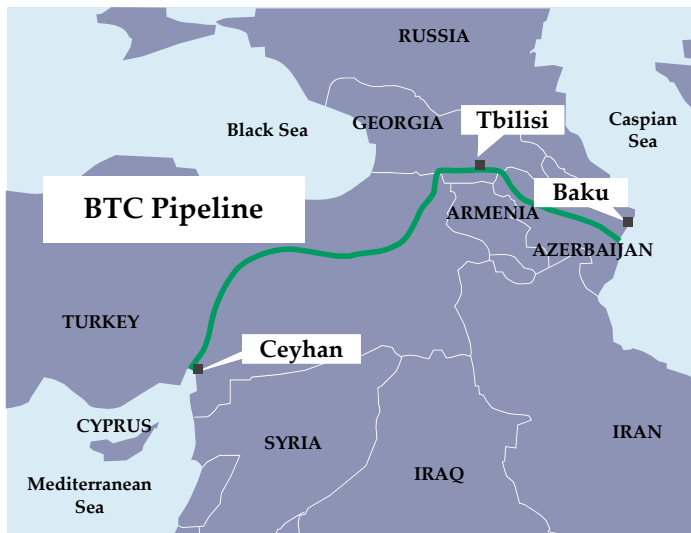
- Participating Interest: 7.56% (Operator: NCOC (North Caspian Operating Company))
- PSC: Kashagan – Until 2021*
- Production volume**
 - Crude Oil: Approximately 268,000 bbl/d
 - Aiming to reach target production volume of 370,000 bbl/d at an early stage.
- Oil shipments at Kashagan Oil Field commenced from October 2016
- Kalamkas structure undergoing studies on potential joint development with adjacent field.
- Basic agreement concluded with the Kazakhstan government on extending the evaluation period of Aktote/Kairan structures by five years and continuing development scenario studies.

*Current PSC provides option to extend the contract period by 2 x 10 years (until 2041)

** Average daily production volume for Mar. 2018 on the basis of all fields
Takes into account a production reduction due to well intervention work and associated preparation work conducted after March 20.

BTC (Baku-Tbilisi-Ceyhan) Pipeline Project

INPEX BTC Pipeline, Ltd.

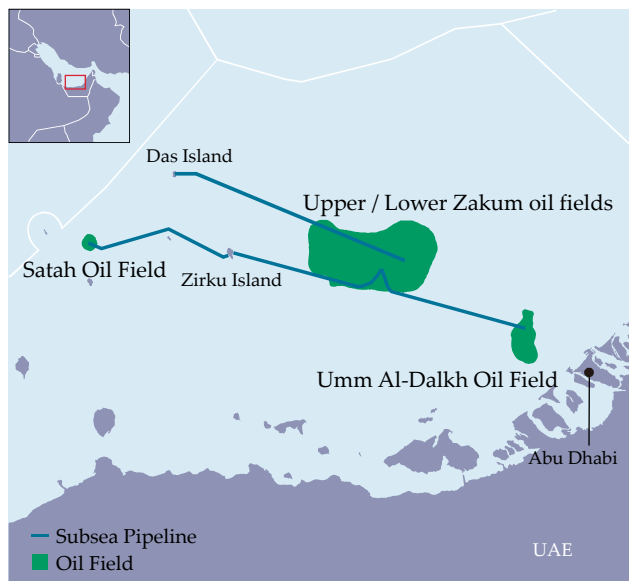


- Participating Interest : 2.5%
(Operator : BP)
- Oil export volume : Approximately 690,000 bbl/d*
- Acquired a 2.5% participating interest in the operating company (BTC Co.) through INPEX BTC Pipeline, Ltd. in October 2002
- Commenced crude oil export in June 2006 from Ceyhan terminal
- Completed 1.2 million bbl/d capacity expansion work in March 2009
- Cumulative export volume reached 1,000 million bbls on September 13, 2010
- Cumulative export volume reached 2,000 million bbls on August 11, 2014

* Average daily volume for 2017

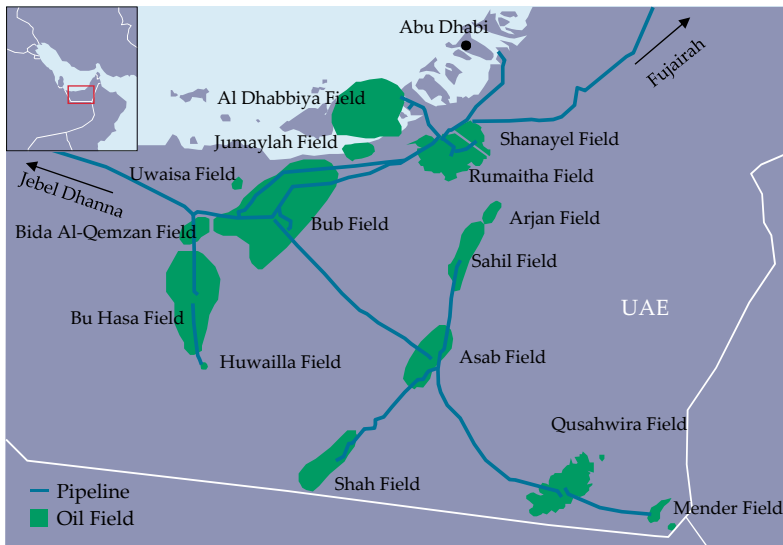
Abu Dhabi Offshore Oil Fields

Japan Oil Development Co., Ltd. (JODCO) / JODCO Lower Zakum Limited



- Upper Zakum Oil Field (JODCO)
 - Participating Interest: 12% (Operator: ADNOC Offshore)
 - Concession agreement: Until 2051
- Lower Zakum Oil Field (JODCO Lower Zakum Limited)
 - Participating Interest: 10% (Operator: ADNOC Offshore)
 - Concession agreement: Until 2058
- Satah/Umm Al Dalkh oil fields (JODCO)
 - Participating Interest: 40% (Operator: ADNOC Offshore)
 - Concession agreement: Until 2043

ADCO Onshore Concession JODCO Onshore Limited



- Participating interest: 5% (Operator: ADNOC Onshore*)

- Concession agreement: Until 2054

*Operating company owned by companies with participating interests. JODCO Onshore Limited has a 5% share in the operating company.

Venezuela Projects

Teikoku Oil & Gas Venezuela, C.A., other



Copa Macoya / Guarico Oriental Blocks

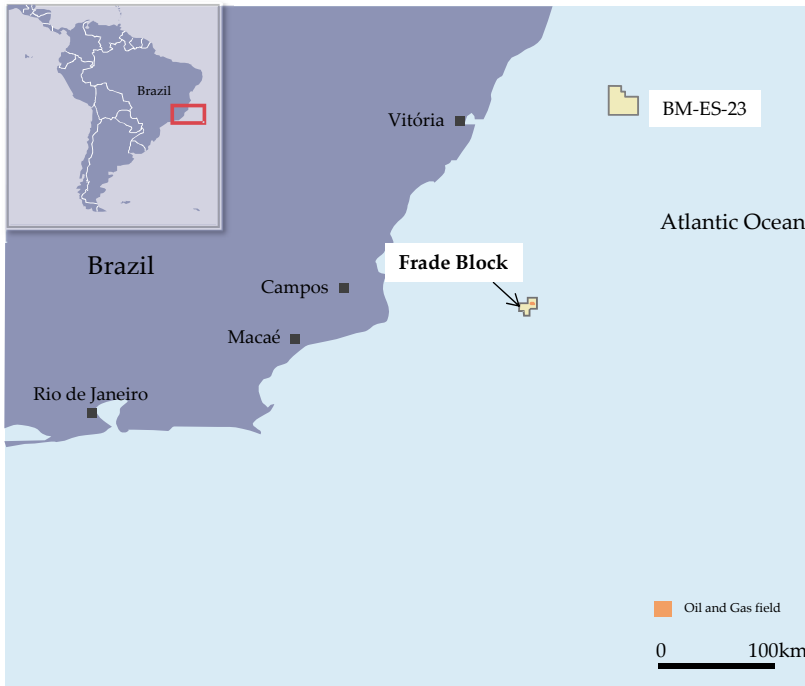
- INPEX's share in joint ventures
 - Gas JV: 70% Oil JV: 30%
- Joint Venture Agreement: 2006-2026
- Production volume*:
 - Crude Oil: Approximately 500 bbl/d
 - Natural Gas**: Approximately 77 million cf/d

* on the basis of all fields and average rate for Mar. 2018

** Volume not at wellheads but corresponding to the sales to buyers

Brazil Projects

Frade Japão Petróleo Limitada (FJPL), other **INPEX**



Frade Japão Petróleo Limitada (FJPL)

- FJPL's Participating interest*: 18.3% (Operator: Chevron)
- *FJPL is a subsidiary of INPEX Offshore North Campos, Ltd. (IONC) an equity method affiliate of INPEX. (INPEX owns a 37.5% share of IONC)
- Production volume**:

 - Crude Oil: Approximately 18,000 bbl/d
 - Natural Gas***: Approximately 1 million cf/d

- Concession Agreement: Until 2025 (possible to extend to 2041)

BM-ES-23

- Participating Interest: 15% (Operator: Petrobras)
- Under Exploration (Appraisal)
- Concession Agreement: Until 2020

** on the basis of all fields and average rate for March 2018

*** Volume not at wellheads but corresponding to the sales to buyers

Shale Gas Project in Canada

INPEX Gas British Columbia Ltd. **INPEX**



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

 - Natural Gas***: Approximately 63 million cf/d

- Concession Agreement



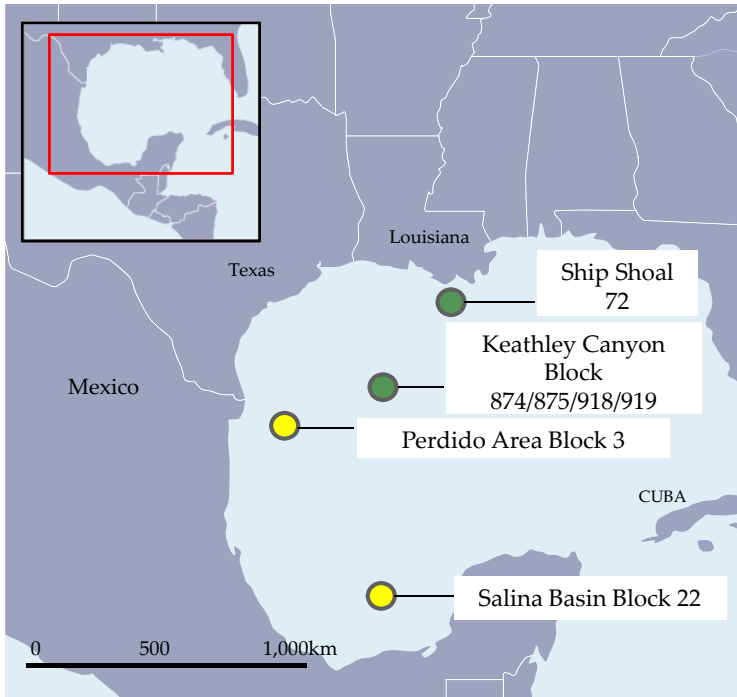
Hydraulic fracturing site

** on the basis of all fields and average daily production volume for 2017

*** Volume not at wellheads but corresponding to the sales to buyers

Gulf of Mexico Projects

Teikoku Oil (North America) Co., Ltd. , INPEX E&P Mexico, S.A. de C.V. **INPEX**



Lucius Field

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

- Concession Agreement
- Participating Interest: 7.75309% (Operator : Anadarko)
- Production started in January 2015
- Revised Unit Participating Agreement (UPA) on unitization reached in September 2017 between project partners of Lucius Oil Field and Hadrian North Oil Field located south of Lucius
- Production to start in April 2019 (Hadrian North)
- Production volume*
 - Crude Oil: Approximately 41,000 bbl/d
 - Natural Gas**: Approximately 31 million cf/d

Shallow Water Area

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

- Concession Agreement
- Participating Interest: Ship Shoal 72: 25%

Block 3, Perdido Fold Belt, Mexican Gulf of Mexico

(INPEX E&P Mexico, S.A. de C.V.)

- License Agreement
- Participating interest: 33.3333% (Operator: Chevron)
- Signed a license agreement on February 28, 2017
- Under Exploration

Block 3, Salina Basin, Mexican Gulf of Mexico

(INPEX E&P Mexico, S.A. de C.V.)

- License Agreement
- Participating interest: 35% (Operator: Chevron)
- Awarded on January 31, 2018 with Chevron and Pemex
- Scheduled to sign a license agreement in May 2018.

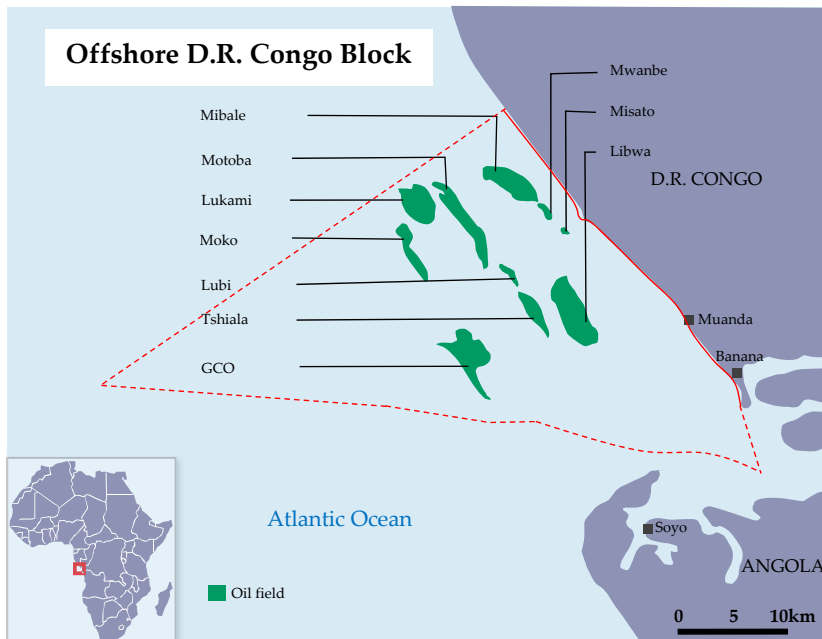
* on the basis of all fields and average rate for March 2018

** Volume not at wellheads but corresponding to the sales to buyers
40

Offshore D.R. Congo

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

INPEX



- Participating Interest: 32.28% (Operator: Perenco)
- Concession Agreement: 1969-2043
- Production started in 1975
- Production volume*
 - Crude Oil: Approximately 13,000 bbl/d

* on the basis of all fields and average rate for Mar. 2018

Offshore Angola Block 14

INPEX Angola Block 14 Ltd.

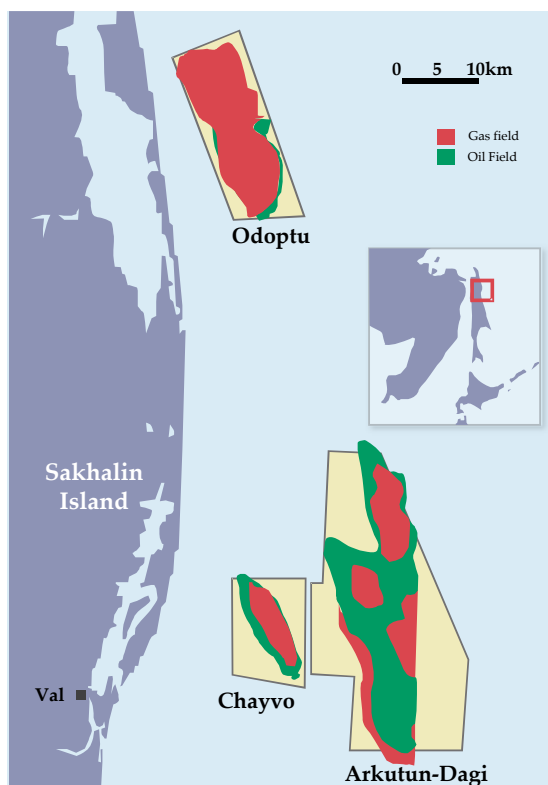


- Participating Interest: 9.998% (Operator: Chevron)
- Production volume*
 - Crude Oil: Approximately 75,000 bbl/d
- PSC:
 - Kuito DA: Until 2023
 - BBLT DA: Until 2027
 - TL DA: Until 2028
 - Lianzi: Until 2031

* on the basis of all fields and average rate for Mar. 2018

Sakhalin-1

Sakhalin Oil and Gas Development Co., Ltd. **INPEX**



- Sakhalin Oil and Gas Development Co., Ltd. (SODECO): INPEX owns a share of approximately 6.08% in SODECO
- SODECO's Participating interest in Sakhalin-1: 30.0%
- Operator: Exxon Neftegas Limited (ENL)
- PSA: Development Period until December 2021
- Commenced production from Chayvo in October 2005; commenced crude oil export in October 2006
- Commenced production from Odoptu in September 2010
- Commenced production from Arkutun-Dagi in January 2015
- Currently supplying natural gas to Russian domestic market

East Siberia - INK Project

Japan South Sakha Oil Co. Limited

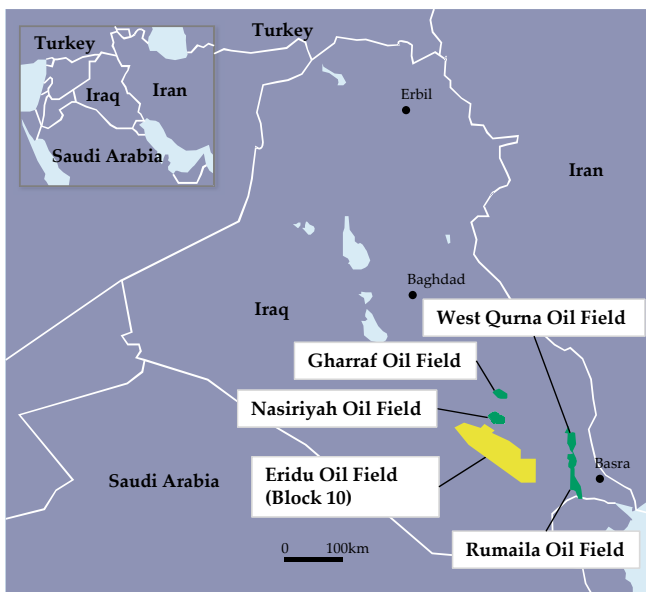


- Japan South Sakha Oil Co. Limited (JASSOC): INPEX owns a share of approximately 25.16% in JASSOC
- JASSOC's shares in Joint Stock Company INK-ZAPAD: 49%
- Production volume*: Crude oil Approximately 48,000 bbl/d
- Operator : INK-ZAPAD
- License agreement: 25 years (Until 2031)
- Commenced production from Ichyodinskoye oil field in November 2014

* on the basis of all fields and average rate for Mar. 2018

Eridu Oil Field (Block 10), Iraq

INPEX South Iraq, Ltd.



Location Map of Block10, Iraq

- Participating Interest: 40%
(Operator: LUKOIL)
- Block acquired: December 2012
(Republic of Iraq 4th Licensing Round)
- EDPSC*:
Exploration Period-9 years**
(Until December 2, 2021)
Development and Production Period-20years***
- Oil deposits were discovered through the first exploratory drilling conducted in February 2017. Thereafter, the extent of the deposits was confirmed by two appraisal wells drilled in 2017.
- As the deposits most likely extend beyond the Contract Area, an extension application for the Contract Area was submitted and approved in November 2017.
- Exploration and evaluation work is underway to study the possibility of commercial development.

* Exploration, Development and Production Service Contract

** The exploration period has been extended by 4 years for further exploration and appraisal work, in accordance with EDPSC.

***The current service contract provides the option to extend the Development and Production Period by 5 years.

Norwegian Continental Shelf Projects

INPEX Norge AS

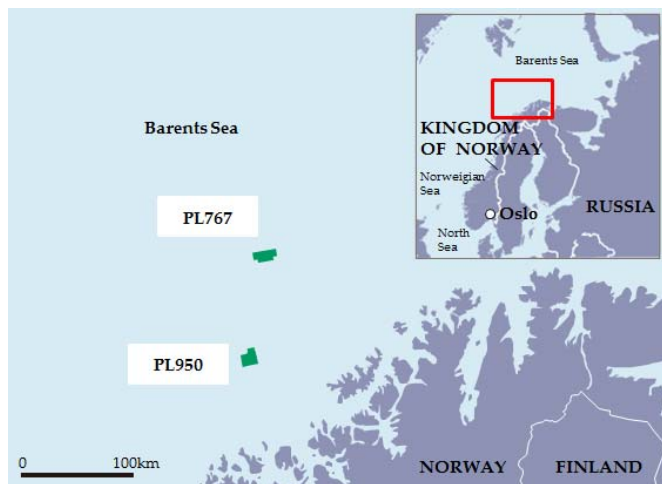


PL767, Western Barents Sea

- Participating Interest: 40%
(Operator : Lundin Norway AS)
- Block acquisition: January 1, 2017
- Concession Agreement:
Exploration and Appraisal Period – 8 years
(extended by one year to 2023)
Development and Production Period – 25 years
- November 2017: INPEX Norge AS acquired license from Bayerngas Norge AS.

PL950, Western Barents Sea

- Participating Interest: 40%
(Operator: Lundin Norway AS)
- Block acquisition: March 2, 2018
- Concession Agreement:
Exploration and Appraisal Period – 7 years
Development and Production Period – 25 years
- August 2017: INPEX Norge AS and Lundin Norway AS mounted joint bid.



Key Companies and Petroleum Contracts I*



Company	Field / Project Name	Country	Contract Type	Ownership	Stage
Japan					
• INPEX CORPORATION	Minami-Nagaoka Gas Field, etc. **	Japan	Concession	-	Producing
Asia/Oceania					
• INPEX South Makassar, Ltd.	Sebuku Block (Ruby Gas Field)	Indonesia	PS	100%	Producing
• MI Berau B.V.	Berau Block (Tanggung LNG Project)	Indonesia	PS	44%	Producing
• INPEX Masela, Ltd.	Masela Block (Abadi LNG)**	Indonesia	PS	51.9%	Preparation for Development
• INPEX Sahul, Ltd.	Bayu-Undan Gas Condensate Field	IPDA	PS	100%	Producing
• INPEX Browse E&P Pty Ltd	WA-285-P**, other	Australia	Concession	100%	Exploration
• INPEX Ichthys Pty Ltd.	WA-50-L and WA-51-L (Ichthys) **	Australia	Concession	100%	Development
• Ichthys LNG Pty Ltd.	Ichthys downstream business **	Australia	-	62.245%	Development
• INPEX Oil & Gas Australia Pty Ltd.	Prelude FLNG Project	Australia	Concession	100%	Development
• INPEX Alpha, Ltd.	Van Gogh Oil Field/Coniston Oil Field	Australia	Concession	100%	Producing
• INPEX Alpha, Ltd.	Ravensworth Oil Field	Australia	Concession	100%	Producing

Note:

* As of the end of March 2018

** Operator project

Key Companies and Petroleum Contracts II*



Company	Field / Project Name	Country	Contract Type	Ownership	Stage
Eurasia (Europe – NIS)					
•INPEX Southwest Caspian Sea, Ltd.	ACG Oil Fields	Azerbaijan	PS	51%	Producing
•INPEX North Caspian Sea, Ltd.	Kashagan Oil Field	Kazakhstan	PS	51%	Producing
The Middle East					
•IODCO	Upper Zakum Oil Field, etc.	UAE	Concession	100%	Producing
•IODCO Lower Zakum Limited	Lower Zakum Oil Field	UAE	Concession	100 %	Producing
•IODCO Onshore Limited	ADCO Onshore Concession	UAE	Concession	51 %	Producing
Africa					
•Teikoku Oil (D.R. Congo) Co., Ltd.	Offshore D.R.Congo	D.R.Congo	Concession	100%	Producing
•INPEX Angola Block 14 Ltd.	Offshore Angola Block 14	Angola	PS	100%	Producing
Americas					
•INPEX Gas British Columbia Ltd.	Canada Shale Gas project	Canada	Concession	45.09%	Producing/Evaluation
•Teikoku Oil & Gas Venezuela, C.A.	Copa Macoya** / Guarico Oriental	Venezuela	JV	100%	Producing
•Teikoku Oil (North America) Co., Ltd.	Lucius Field / Ship Shoal 72	USA	Concession	100%	Producing
•Frade Japão Petróleo Limitada	Frade Block	Brazil	Concession	37.5%***	Producing

Note:

* As of the end of March 2018

** Operator project

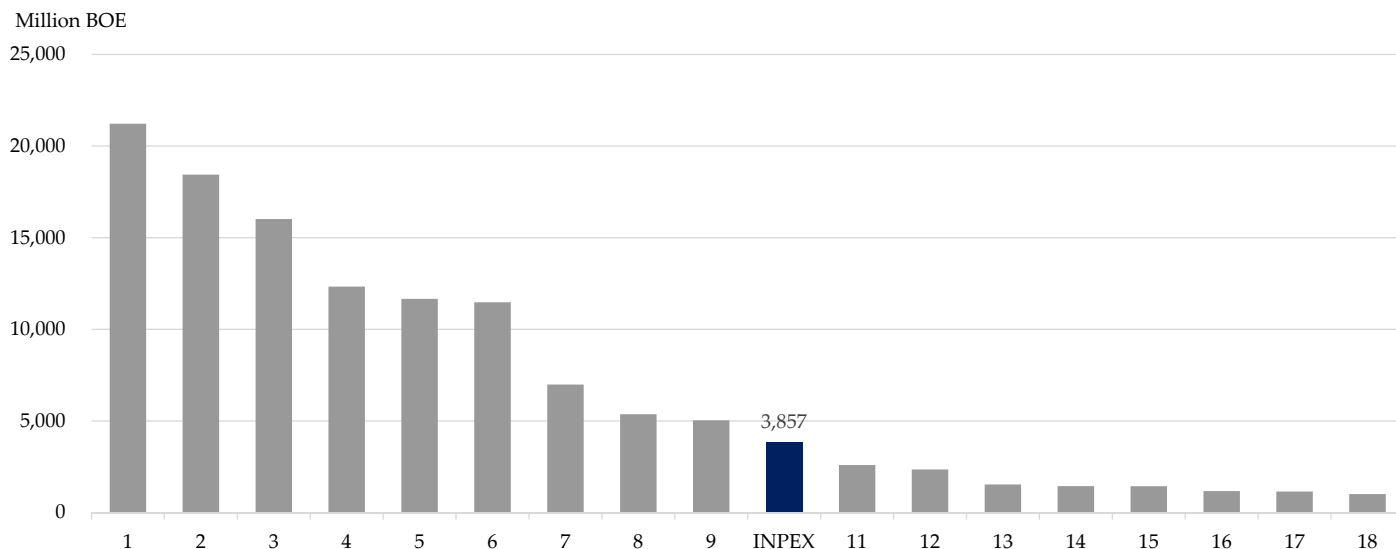
*** Frade Japão Petróleo Limitada is a subsidiary of INPEX Offshore North Campos, Ltd. (INPEX equity-method affiliate). 37.5% ownership refers to an indirect investment by INPEX through INPEX Offshore North Campos, Ltd.



Others

Proved Reserves

(compared to majors and global independent E&P companies) **INPEX**



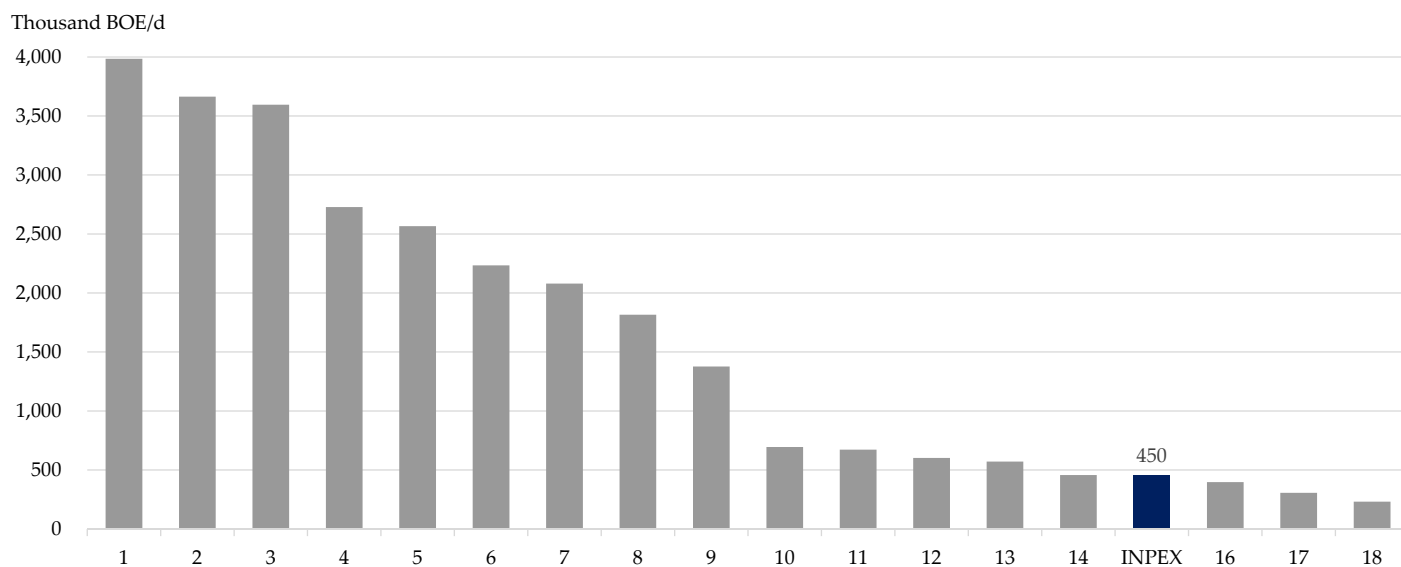
Source Publicly available information of the following companies (in alphabetical order) :

Anadarko, Apache, BHP Billiton, BP, Chevron, ConocoPhillips, Eni, ExxonMobil, Hess, Lukoil, Marathon Oil, Occidental Petroleum, Repsol, Shell, Statoil, TOTAL, Woodside

Note All data as of December 31, 2017, except for BHP Billiton data being as of June 30, 2017 and INPEX data being as of March 31, 2018. INPEX data is in accordance with the relevant SEC regulations. Most projects owned by INPEX including the portion attributable to non-controlling interests are considered in INPEX reserves. INPEX reserves are evaluated internally, except for certain large capital projects which are outsourced to DeGolyer & MacNaughton. Reserves include unconventional resources such as bitumen & synthetic oil.

Production Volume

(compared to majors and global independent E&P companies) **INPEX**



Source Publicly available information of the following companies (in alphabetical order) :

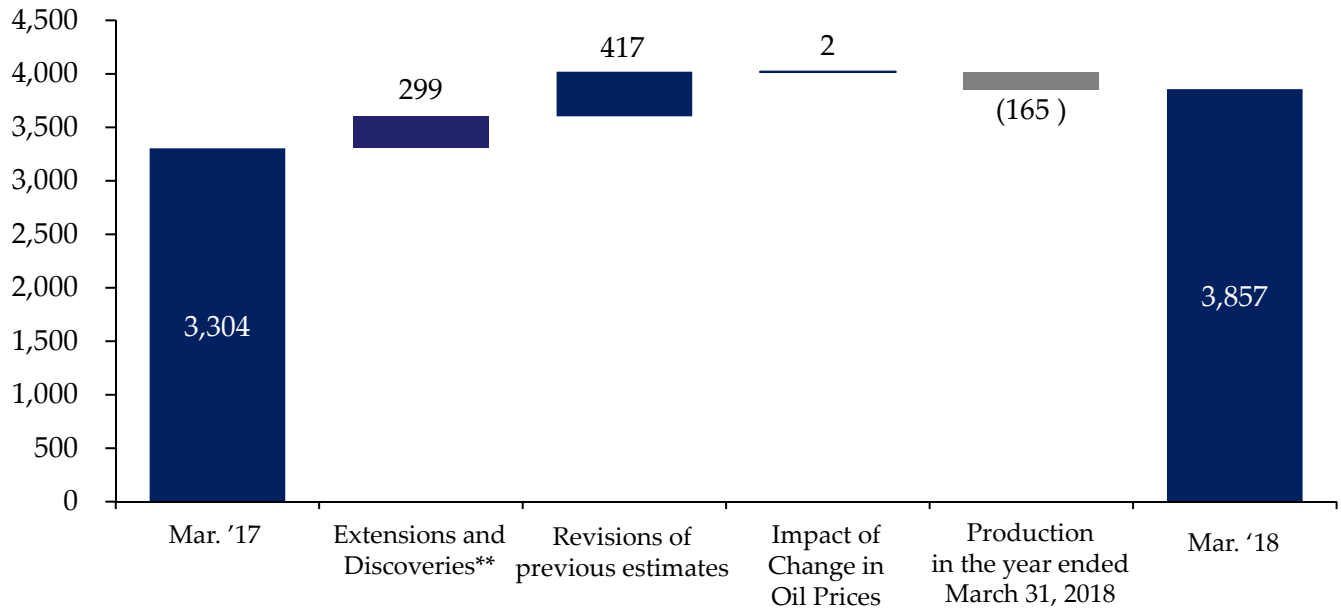
Anadarko, Apache, BHP Billiton, BP, Chevron, ConocoPhillips, Eni, ExxonMobil, Hess, Lukoil, Marathon Oil, Occidental Petroleum, Repsol, Shell, Statoil, TOTAL, Woodside

Note All data for the year ended December 31, 2017 except for BHP Billiton data being for the year ended June 30, 2017 and INPEX data being for the year ended March 31, 2018. INPEX data is in accordance with the relevant SEC regulations. Production includes unconventional resources such as bitumen & synthetic oil. The portion attributable to non-controlling interests are considered.

Factor Analysis of Change in Proved Reserves*



(Million BOE)



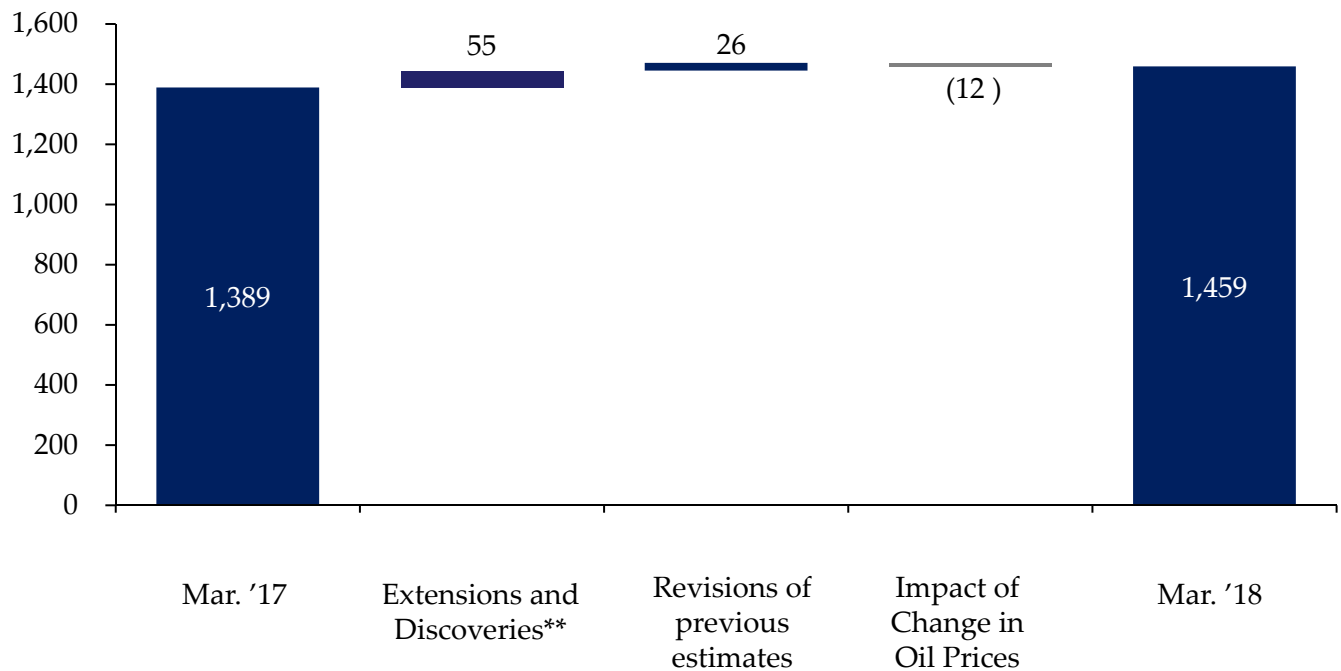
* The definition of proved reserves is listed on page 54.

** Including acquisitions and sales

Factor Analysis of Change in Probable Reserves*



(Million BOE)



* The definition of probable reserves is listed on page 55.

** Including acquisitions and sales.

Definition of Proved Reserves

- Our definition of proved reserves is in accordance with the SEC Regulation S-X, Rule 4-10, which defines proved reserves as the estimated quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations—prior to the time at which relevant petroleum contracts providing the right to operate expire.
- To be classified as a proved reserve, the SEC rule requires that extraction of the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence extraction within a reasonable time . This definition is known to be conservative among the various definitions of reserves used in the oil and gas industry.
- When probabilistic methods are employed, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimated proved reserves.
- The SEC rule separates proved reserves into two categories; proved developed reserves which can be recovered by existing wells, infrastructure and operational methods, and proved undeveloped reserves which require future development of wells and infrastructure to be recovered.

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Definition of Probable Reserves

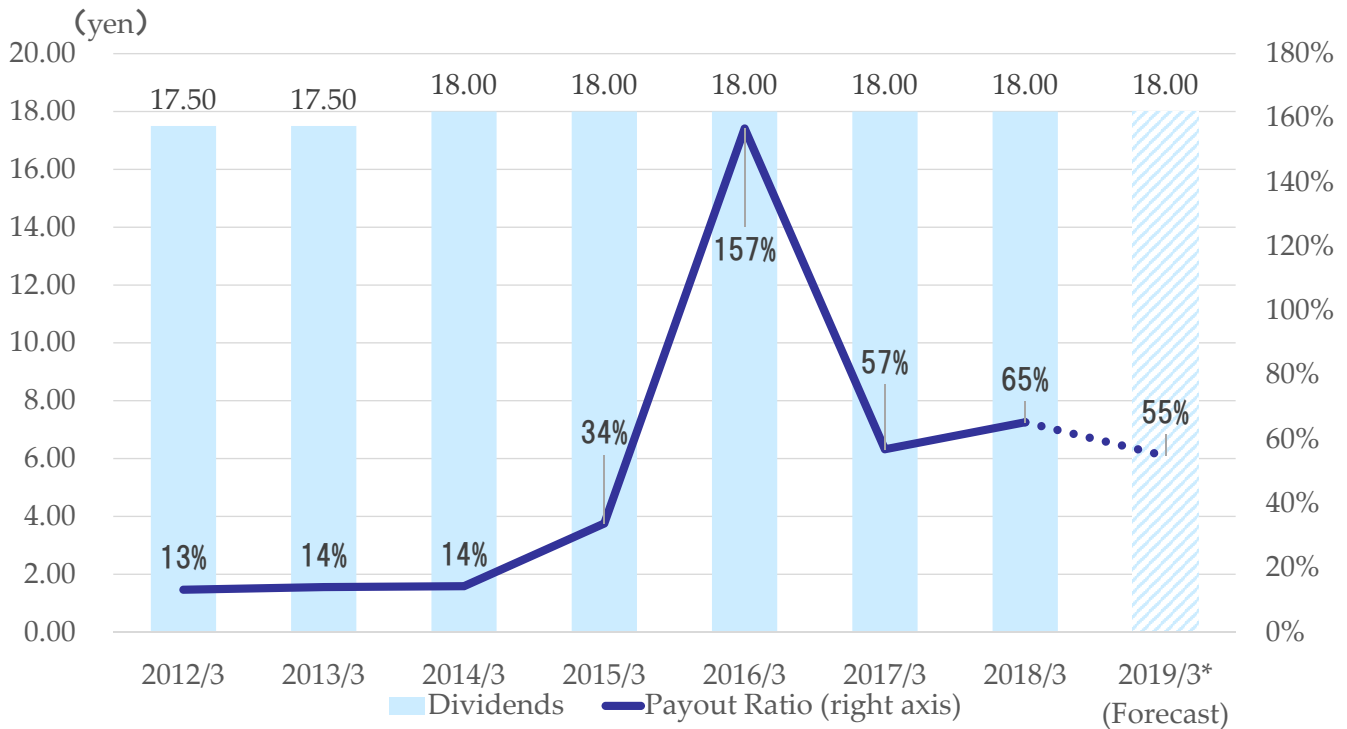
- Probable Reserves, as defined by SPE/WPC/AAPG/SPEE, are those unproved reserves which analysis of geological and engineering data suggests are more likely to be commercially recoverable after the Proved Reserves.
- In this context, when probabilistic methods are used, there should be at least a 50% probability that the quantities actually recovered will equal or exceed the sum of estimated Proved plus Probable Reserves.

*Probable Reserves are not necessarily expected to be developed and produced at the same level of certainty as Proved Reserves.

*Proved and Possible Reserves are disclosed in a manner consistent with common industry standards.

55

Annual Dividends, Payout Ratio



Note(*) The Company additionally plans to issue a commemorative dividend of ¥6 per share following the Ichthys LNG Project's start-up and shipment of cargo.

CSR Topics

✓ INPEX engages in a variety of ESG activities focused on the following 6 material issues

<CSR Material Issues>



Governance

- Development of a governance structure
- Development of a risk management system



Compliance

- Respect for human rights
- Legal compliance, prevention of bribery and corruption
- Conducting Environmental and Social Impact Assessment in supply chain

In order to comprehensively manifest its stance on upholding human rights, INPEX newly formulated its Human Rights Policy in May 2017 in alignment with the UN Guiding Principles on Business and Human Rights.



HSE

- Prevention of severe accidents
- Securing occupational health and safety
- Conservation of biodiversity, appropriate water resources management



Local Communities

- Conducting assessments and reduction measures of impacts on local communities and indigenous communities
- Contribution to local economies



Climate Change

- Promotion of renewable energy
- Promotion of development of environmentally friendly natural gas
- Strengthen climate-related risk management



Employees

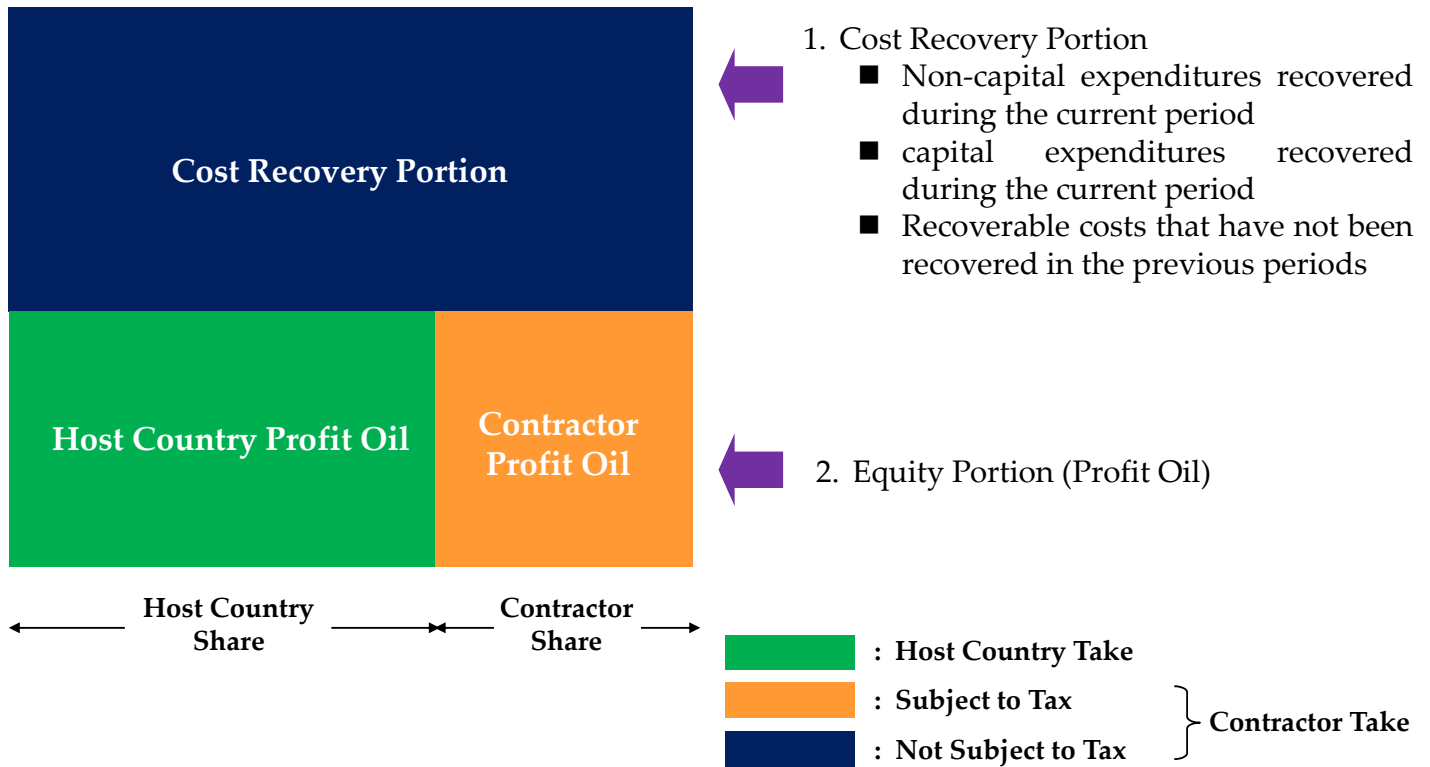
- Human resource development and improvement of job satisfaction
- Promotion of diversity

Internal carbon pricing has been introduced from October 2017, as part of economic evaluation of projects and investments.

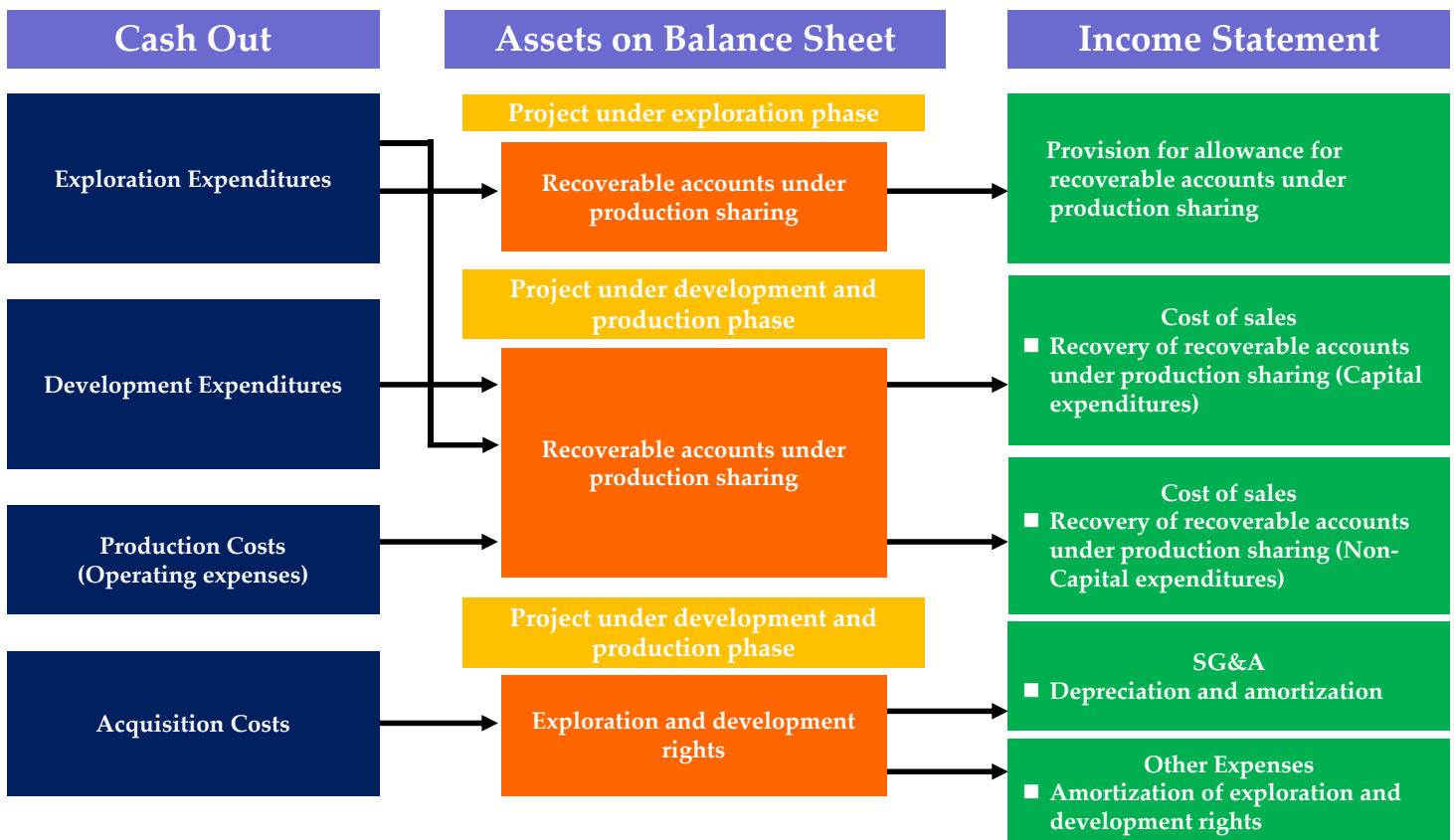
● Environment ● Social ● Governance

<Inclusion in major ESG indexes>

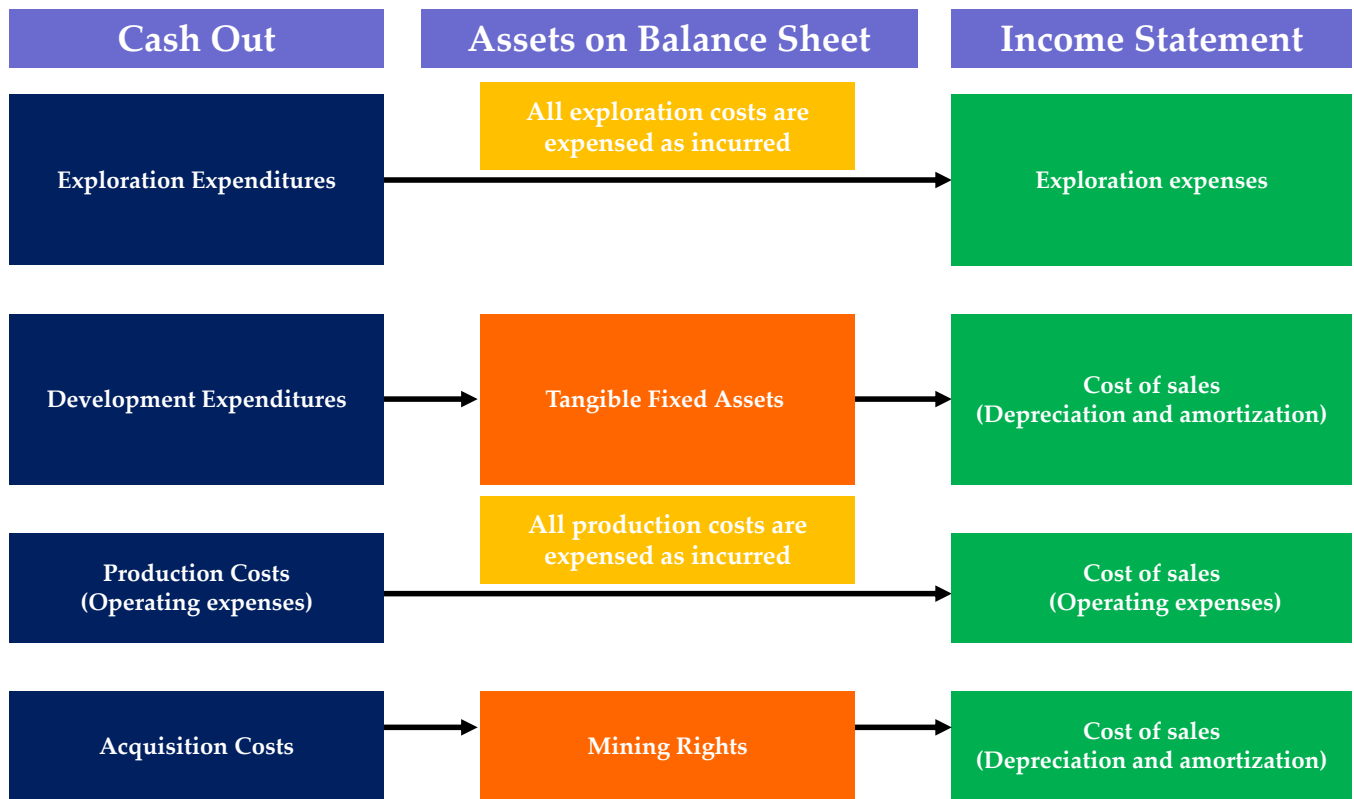
Dow Jones Sustainability Index	INPEX has been listed on the Dow Jones Sustainability World Index (DJSI World), an index that exemplifies socially responsible investing produced by Dow Jones Inc. in the U.S. and RobecoSAM in Switzerland.
FTSE	INPEX has been included in the FTSE4Good Global Index, FTSE4Good Japan Index, and in the FTSE Blossom Japan Index which has been newly adopted by the Government Pension Investment Fund for Japan (GPIF) as comprehensive indices incorporating ESG factors.
MSCI	INPEX is constituent of the MSCI SRI Indexes, MSCI ESG Leaders Indexes and MSCI Japan ESG Select Leaders Index, a leading set of indexes in the selection of outstanding companies in ESG developed by Morgan Stanley Capital International (MSCI). MSCI Japan ESG Select Leaders Index has been newly adopted by the Government Pension Investment Fund for Japan (GPIF) as comprehensive indices incorporating ESG factors.



Accounting on Production Sharing Contracts



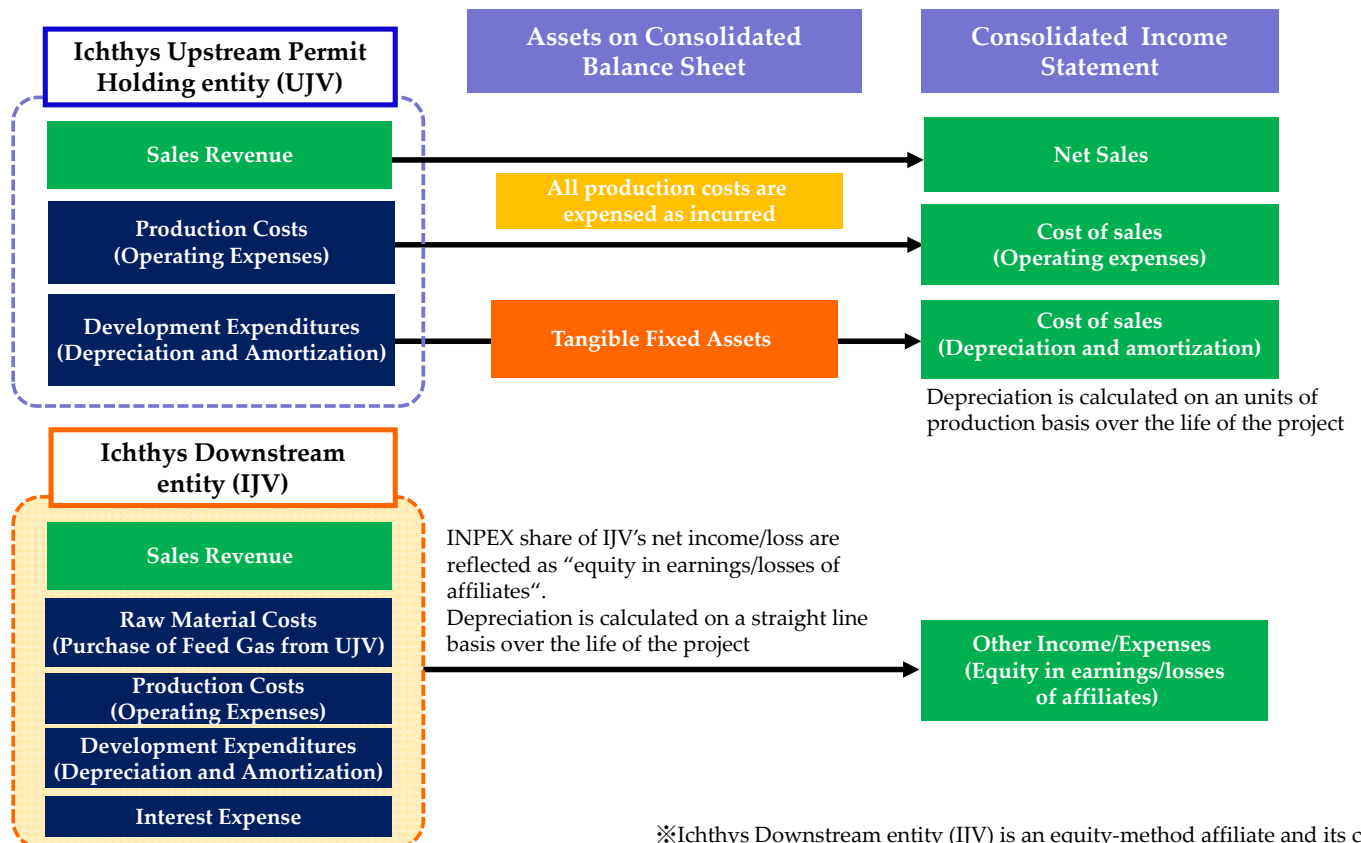
Accounting on Concession Agreements **INPEX**



60

Ichthys LNG Project Accounting Process Overview **INPEX**

※ This process applies to the Ichthys LNG Project's production phase. Only major cost and expenditure items are shown.



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※ Ichthys Downstream entity (IJV) is an equity-method affiliate and its cash flow does not appear on the consolidated cash flow statement

Summary of Australian Taxation

※Content may change due to tax revisions

Sales ⇒ (Oil/Gas sales price) × (Sales volume)①

Operating expense ⇒ OPEX incurred in relevant year (+Exploration cost)+CAPEX tax depreciation②

**Corporate Tax
(In Australia)**

PRRT(Petroleum Resource Rent Tax)

=(Upstream Revenue – Upstream Capex & Opex – Expl. Cost – Abandonment Cost – undeducted PRRT expenditure carried forward) × 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 the same group of entities.

•Undeducted PRRT Expenditure: non-utilized deductible PRRT expenditure can be carried forward to the following year(s), 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 License application is made.

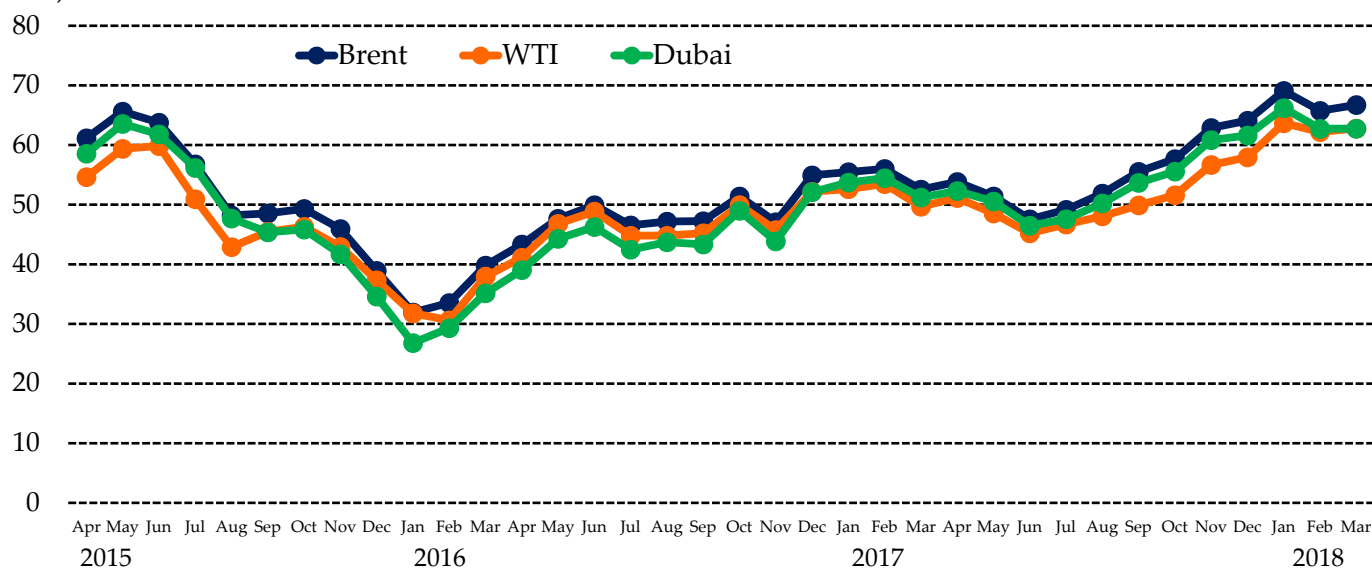
*LTBR = Long Term Bond Rate

*GDP Factor = GDP Deflator of Australia

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

Crude Oil Price Movements

(US\$/bbl)



	Apr. 2016 – Mar. 2017	2018												Apr. 2017 – Mar. 2018
	Average	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Average
Brent	49.88	53.82	51.39	47.55	49.15	51.87	55.51	57.65	62.87	64.09	69.08	65.73	66.72	57.85
WTI	47.93	51.12	48.54	45.20	46.68	48.06	49.88	51.59	56.66	57.95	63.66	62.18	62.77	53.69
Dubai	46.95	52.29	50.54	46.47	47.57	50.22	53.67	55.55	60.82	61.60	66.19	62.72	62.74	55.86