

**Consolidated Financial Results for the Six Months ended September 30, 2010 [Japanese GAAP]**

November 4, 2010

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

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 Meeting of quarterly financial results presentation : Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded off)

**1. Consolidated Financial Results for the Six Months ended September 30, 2010 (April 1, 2010-September 30, 2010)**

**(1) Consolidated operating results**

(Figures in % represent the changes from the corresponding period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the six months ended September 30, 2010	432,992	10.3	232,608	15.0	220,116	13.9	50,626	6.3
September 30, 2009	392,606	(47.1)	202,284	(59.8)	193,308	(59.7)	47,645	(54.2)

	Net income per share—basic	Net income per share—diluted
For the six months ended September 30, 2010	Yen 18,584.05	Yen
September 30, 2009	20,244.57	

**(2) Consolidated financial position**

	Total assets	Net assets	Net assets excluding minority interests as a percentage of total assets	Net assets excluding minority interests per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2010	2,529,435	2,022,095	76.4	529,123.59
As of March 31, 2010	2,013,778	1,490,603	68.9	589,548.88

(Reference): Net assets excluding minority interests: ¥ 1,931,774 million as of September 30, 2010  
 ¥ 1,387,499 million as of March 31, 2010

**2. Dividends**

	Cash dividends per share				
	At 1st quarter end	At 2nd quarter end	At 3rd quarter end	At fiscal year end	Total
For the year ended March 31, 2010	Yen	Yen 2,500.00	Yen	Yen 3,000.00	Yen 5,500.00
For the year ending March 31, 2011		3,000.00			
For the year ending March 31, 2011 (forecast)				3,000.00	6,000.00

(Reference): Changes in projected dividends for the year ending March 31, 2011 from the previous forecast: None

**3. Forecasted Consolidated Financial Results for the year ending March 31, 2011 (April 1, 2010-March 31, 2011)**

(Figures in % represent the changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
For the year ending March 31, 2011	835,000	(0.6)	438,000	(5.1)	420,000	(5.0)	102,000	(4.9)	32,361.49

(Reference): Changes in forecasted consolidated financial results for the year ending March 31, 2011 from the previous forecast: Yes

4. Others (Please refer to page 4 “2. Others” for details.)

(1) Significant changes in scope of consolidation : None

(Note): Changes in the specified subsidiaries during the period due to change in scope of consolidation

(2) Adoption of simplified accounting methods or special accounting treatments : None

(Note): Adoption of simplified accounting methods or special accounting treatments for presenting quarterly consolidated financial statements

(3) Changes in accounting principles, procedures, or disclosures

1. Changes associated with revision in accounting standards : Yes

2. Other changes : None

(Note): Changes in accounting principles, procedures, or disclosures for presenting quarterly consolidated financial statements stated as “Changes to the basis of presenting quarterly consolidated financial statements.”

(4) Number of shares issued (Common stock)

1. Number of shares issued at the end of the period 3,655,810 shares as of September 30, 2010  
(including treasury stock): 2,358,410 shares as of March 31, 2010

2. Number of treasury stock at the end of the period: 4,916 shares as of September 30, 2010  
4,916 shares as of March 31, 2010

3. Average number of shares: 2,724,180 shares for the six months ended September 30, 2010  
2,353,494 shares for the six months ended September 30, 2009

(Note): Since shareholder of the special class share is entitled to the same rights as that for shareholders of common stock regarding dividends and the distribution of residual property, the special class share is classified as common stock equivalent share.

\* Indication of quarterly review procedure implementation status

This quarterly earnings report is exempt from quarterly review procedure under the Financial Instruments and Exchange Act. The review procedure for quarterly consolidated financial statements under the Financial Instruments and Exchange Act has not been completed at the time of disclosure of this report.

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

The aforementioned forecasts are based on the currently available information and contain many uncertainties. The final results might be significantly different from the aforementioned forecasts due to changes in business conditions including oil and natural gas price levels, production and sales plans, project development schedules, government regulations and financial and tax schemes. Please refer to “1.(3) Qualitative Information on Forecasted Consolidated Financial Results” on page 3.

The Company issued 1,216,000 shares of common stock by way of offering new shares on August 2, 2010 as its due date. In addition, 81,400 shares of common stock were issued to Nomura Securities Co., Ltd. as an allottee on August 31, 2010, by way of the third-party allotment in connection with a secondary offering of the Company’s shares (by way of over-allotment).

As a result, net income per share for the year ending March 31, 2011, on the aforementioned forecasts, is calculated by using 3,151,894 shares, average shares which include the increased shares by the public offering of new shares and over-allotment.

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## 1. Qualitative Information / Financial Statements

### (1) Qualitative Information on Consolidated Financial Results

During the six months ended September 30, 2010, consolidated net sales were ¥432,992 million (increased by ¥40,385 million, or 10.3%, from the corresponding period of the previous fiscal year) due mainly to an increase in sales price of crude oil and natural gas. Net sales of crude oil increased by ¥16,726 million, or 7.2%, to ¥249,290 million, and net sales of natural gas increased by ¥22,594 million, or 15.3%, to ¥170,640 million, respectively. Sales volume of crude oil decreased by 2,395 Mbbls, or 6.2%, to 36,496 Mbbls. Sales volume of natural gas decreased by 6,324 MMcf, or 3.1%, to 199,442 MMcf. Sales volume of natural gas produced overseas decreased by 7,933 MMcf, or 4.4%, to 171,541 MMcf, and sales volume of domestic natural gas increased by 43 MMm<sup>3</sup>, or 6.1%, to 748 MMm<sup>3</sup> (27,901 MMcf). The average sales price of crude oil produced overseas increased by US\$13.71 per bbl, or 22.1 %, to US\$75.70 per bbl, and the average sales price of natural gas produced overseas increased by US\$1.48 per Mcf, or 21.4%, to US\$8.39 per Mcf. In addition, the average sales price of domestic natural gas increased by ¥7.26, or 20.4%, to ¥42.80 per m<sup>3</sup>. The average exchange rate of Japanese yen against U.S. dollar on consolidated net sales appreciated by ¥6.05, or 6.3%, to ¥89.33 per U.S. dollar from the corresponding period of the previous fiscal year.

The increase of ¥40.3 billion in net sales was mainly derived from the following factors: a decrease in sales volume of ¥15.1 billion, an increase in unit sales price of ¥80.5 billion, the appreciation of Japanese yen against U.S. dollar of ¥26.1 billion, and an increase in net sales excluding crude oil and natural gas of ¥1.0 billion.

Cost of sales for the six months ended September 30, 2010 increased by ¥13,476 million, or 9.1%, to ¥162,044 million due mainly to an increase in net purchase of natural gas in Japan, and an increase in depreciation owing to the commencement of production in the Van Gogh field. Exploration expenses decreased by ¥1,637 million, or 20.2%, to ¥6,461 million due mainly to a decrease in exploration activities in Oceania and Japan despite an increase in Americas. Selling, general and administrative expenses decreased by ¥1,777 million, or 5.3%, to ¥31,878 million. As a result, operating income increased by ¥30,323 million, or 15.0%, to ¥232,608 million.

Other income increased by ¥3,259 million, or 45.1 %, to ¥10,491 million due to an increase in gain on change in equity. Other expenses increased by ¥6,775 million, or 41.8%, to ¥22,982 million due mainly to an increase in provision for allowance for recoverable accounts under production sharing and a record of loss on adjustment for changes of accounting standard for asset retirement, despite a decrease in provision for exploration projects owing to a decrease in exploration activities in Libya and others.

Regarding the withdrawal from Azadegan oil field in Iran, the Company recorded a loss of ¥6,425 million on other expense, as an allowance for full amounts of investments, in a conservative manner.

As a result, ordinary income and income before income taxes and minority interests increased by ¥26,807 million, or 13.9%, to ¥220,116 million.

Total amount of current income taxes increased by ¥19,435 million, or 13.8%, to ¥160,015 million, and deferred income taxes were ¥6,979 million, income before minority interests were ¥53,121 million, and minority interests were ¥2,495 million. As a result of the above effects, net income for the six months ended September 30, 2010 increased by ¥2,980 million, or 6.3%, to ¥50,626 million from the corresponding period of the previous fiscal year.

Financial results by segment are as follows: Meanwhile, effective from the first quarter ended June 30, 2010, the Company adopted “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information ” (ASBJ Statement No.17, issued on March 27, 2009) and the “ Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information ” (ASBJ Guidance No.20, issued on March 21, 2008), the reportable segments and the calculation method of segment income effective from the first quarter ended June 30, 2010 are compared with the geographical segment information of the corresponding period of the previous fiscal year since the same calculation method is used.

#### 1) Japan

Net sales increased by ¥8,175 million, or 21.0%, to ¥47,022 million due to an increase in sales volume and sales price of natural gas. Operating income decreased by ¥1,919 million, or 17.9%, to ¥8,832 million due to an increase in net purchase of natural gas.

#### 2) Asia - Oceania

Net sales increased by ¥33,637 million, or 20.2%, to ¥199,960 million due to an increase in sales volume of crude oil and sales price of crude oil and natural gas despite an appreciation of Japanese yen, and operating income increased by ¥30,289 million, or 36.7%, to ¥112,908 million.

#### 3) Eurasia (Europe - NIS)

Net sales decreased by ¥16,082 million, or 43.3%, to ¥21,078 million due to a decrease in sales volume of crude oil in the ACG oil fields, and appreciation of Japanese yen despite an increase in sales price of crude oil, and operating income decreased by ¥4,965 million, or 33.5%, to ¥9,836 million.

#### 4) Middle East - Africa

Net sales increased by ¥15,103 million, or 10.6%, to ¥157,137 million due to an increase in sales price of crude oil, and operating income increased by ¥10,527 million, or 10.9%, to ¥106,875 million.

#### 5) Americas

Net sales decreased by ¥449 million, or 5.4%, to ¥7,793 million, and operating loss was ¥1,587 million due to an increase in exploration expenses.

## (2) Qualitative Information on Consolidated Financial Position

Total assets as of September 30, 2010 increased by ¥515,657 million to ¥2,529,435 million from ¥2,013,778 million as of March 31, 2010. This is due mainly to an increase in marketable securities by ¥531,415 million, an increase in intangible assets by ¥17,546 million owing to the acquisition of an additional interest in the ACG oil fields, and increase in recoverable accounts under production sharing by ¥16,603 million owing to investments at the Kashagan oil field etc., despite a decrease in cash and deposits.

Meanwhile, total liabilities decreased by ¥15,835 million to ¥507,339 million from ¥523,175 million. Current liabilities decreased by ¥13,908 million to ¥213,997 million and long-term liabilities decreased by ¥1,927 million to ¥293,342 million.

Net assets increased by ¥531,492 million to ¥2,022,095 million due to an increase in common stock and capital surplus by ¥260,809 million, respectively, owing to the issuance of new shares and secondary offering of shares. Minority interests in net assets decreased by ¥12,781 million to ¥90,321 million.

Cash and cash equivalents as of September 30, 2010 totaled ¥707,071 million reflecting a net increase of ¥490,676 million from ¥216,395 million at the end of the previous fiscal year.

Cash flows from operating activities, investing activities and financial activities are as follows:

### 1) Cash flows from operating activities

Net cash provided by operating activities was ¥126,727 million (increased by ¥18,117 million from the corresponding period of the previous fiscal year). This is due mainly to an increase in income before income taxes and minority interests owing to an increase in sales price of crude oil.

### 2) Cash flows from investing activities

Net cash used in investing activities was ¥148,029 million (increased by ¥56,861 million from the corresponding period of the previous fiscal year). This is due mainly to an increase in payments for purchases of investment securities.

### 3) Cash flows from financial activities

Net cash provided by financial activities was ¥523,471 million (increased by ¥500,890 million from the corresponding period of the previous fiscal year). This is due to an increase in proceeds from issuance of common stock.

## (3) Qualitative Information on Forecasts for Consolidated Financial Results

Forecasts for consolidated financial results for the year ending March 31, 2011 have been revised from the previous forecast presented on May 12, 2010, taking into consideration the consolidated financial results for the six months ended September 30, 2010 as well as revised assumptions of exchange rate and so on.

Forecasts for consolidated financial results for the year ending March 31, 2011 (Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Previous Forecasts: A	863,000	451,000	433,000	102,000
Revised Forecasts: B	835,000	438,000	420,000	102,000
Increase (Decrease): B - A	(28,000)	(13,000)	(13,000)	
Percentage change (%)	(3.2)	(2.9)	(3.0)	

The above forecasts are calculated based on the following assumptions:

	Previous Forecasts	Revised Forecasts
Crude Oil Price (Brent)	1 <sup>st</sup> Half (April 1, 2010-September 30, 2010) : US\$ 77.5/bbl 2 <sup>nd</sup> Half (October 1, 2010- March 31, 2011) : US\$ 77.5/bbl Full Year (April 1, 2010- March 31, 2011) : US\$77.5/bbl (Average)	1 <sup>st</sup> Half (April 1, 2010-September 30, 2010) : US\$ 78.2/bbl (Actual) 2 <sup>nd</sup> Half (October 1, 2010- March 31, 2011) : US\$ 77.5/bbl Full Year (April 1, 2010- March 31, 2011) : US\$77.9/bbl (Average)
Exchange rate	1 <sup>st</sup> Half (April 1, 2010-September 30, 2010) : ¥90.0/US\$1 2 <sup>nd</sup> Half (October 1, 2010- March 31, 2011) : ¥90.0/US\$1 Full Year (April 1, 2010- March 31, 2011) : ¥90.0/US\$1 (Average)	1 <sup>st</sup> Half (April 1, 2010-September 30, 2010) : ¥89.0/US\$1 (Actual) 2 <sup>nd</sup> Half (October 1, 2010- March 31, 2011) : ¥80.0/US\$1 Full Year (April 1, 2010- March 31, 2011) : ¥84.5/US\$1 (Average)

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

2. Others

(1) Significant changes in scope of consolidation:

None

(2) Adoption of simplified accounting methods or special accounting treatments:

None

(3) Changes in accounting principles, procedures, presentations, or disclosures:

1) Adoption of “Accounting Standard for Asset Retirement Obligations”

Effective from the first quarter ended June 30, 2010, the Company adopted the “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18 issued on March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21 issued on March 31, 2008). Pursuant to these standards, the Company has reversed liabilities for site restoration and decommissioning costs which had been recorded as a provision for future costs expected to incur in accordance with the schedule for site restoration and decommissioning.

As a result, operating income decreased by ¥12 million and ordinary income and income before income taxes and minority interests decreased by ¥1,311, respectively. The change in the amount of asset retirement obligations due to the adoption of these accounting standards is ¥2,305 million.

2) Adoption of “Accounting Standard for Equity Method of Accounting for Investment” and “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method”

Effective from the first quarter ended June 30, 2010, the Company adopted the “Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No. 16 issued on March 10, 2008) and the “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method” (ASBJ PITF No. 24 issued on March 10, 2008).

There is no impact on the consolidated financial statements as a result of this change.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

Accounts	As of September 30, 2010	Condensed balance sheet as of March 31, 2010
(Assets)		
Current assets		
Cash and deposits	95,315	119,809
Accounts receivable-trade	69,017	88,364
Marketable securities	744,455	213,040
Inventories	15,130	12,322
Other	56,278	59,340
Allowance for doubtful accounts	(675)	(22)
Total current assets	979,524	492,854
Fixed assets		
Tangible fixed assets	369,747	358,094
Intangible assets		
Goodwill	104,742	108,122
Other	152,009	131,082
Total intangible assets	256,751	239,205
Investments and other assets		
Investment securities	403,983	403,978
Recoverable accounts under production sharing	531,249	514,645
Other	111,632	115,781
Allowance for doubtful accounts	(606)	(640)
Allowance for recoverable accounts under production sharing	(106,463)	(94,891)
Allowance for investments in exploration	(16,382)	(15,248)
Total investments and other assets	923,412	923,624
Total fixed assets	1,549,911	1,520,923
Total assets	2,529,435	2,013,778

(Millions of yen)

Accounts	As of September 30, 2010	Condensed balance sheet as of March 31, 2010
(Liabilities)		
Current liabilities		
Accounts payable-trade	16,229	16,601
Short-term loans	4,811	4,872
Income taxes payable	71,111	86,534
Provision for exploration projects	12,759	15,324
Accrued bonuses to officers	75	132
Asset retirement obligations	2,949	
Other	106,059	104,440
Total current liabilities	213,997	227,905
Long-term liabilities		
Long-term debt	236,078	235,510
Accrued retirement benefits to employees	7,202	7,585
Liabilities for site restoration and decommissioning costs		14,257
Liabilities for losses on development activities		1,964
Accrued special repair and maintenance	447	442
Asset retirement obligations	9,395	
Other	40,218	35,508
Total long-term liabilities	293,342	295,269
Total liabilities	507,339	523,175
(Net assets)		
Shareholders' equity		
Common stock	290,809	30,000
Capital surplus	679,287	418,477
Retained earnings	980,310	936,744
Treasury stock	(5,248)	(5,248)
Total shareholders' equity	1,945,159	1,379,974
Valuation, translation adjustments and others		
Unrealized holding gain (loss) on securities	(362)	12,351
Unrealized loss from hedging instruments	(55)	
Translation adjustments	(12,968)	(4,826)
Total valuation, translation adjustments and others	(13,385)	7,525
Minority interests	90,321	103,103
Total net assets	2,022,095	1,490,603
Total liabilities and net assets	2,529,435	2,013,778



## (2) Consolidated Statements of Income

(Millions of yen)

Accounts	For the six months ended September 30, 2009	For the six months ended September 30, 2010
Net sales	392,606	432,992
Cost of sales	148,567	162,044
Gross profit	244,039	270,948
Exploration expenses	8,098	6,461
Selling, general and administrative expenses	33,656	31,878
Operating income	202,284	232,608
Other income		
Interest income	2,328	2,017
Dividend income	2,206	2,226
Equity in earnings of affiliates		318
Gain on change in equity		2,800
Other	2,696	3,129
Total other income	7,232	10,491
Other expenses		
Interest expense	513	509
Equity in losses of affiliates	902	
Provision for allowance for recoverable accounts under production sharing	2,653	7,500
Provision for exploration projects	4,353	2,025
Loss on adjustment for changes of accounting standard for asset retirement obligations		1,555
Foreign exchange loss	4,561	1,888
Other	3,221	9,503
Total other expenses	16,207	22,982
Ordinary income	193,308	220,116
Income before income taxes and minority interests	193,308	220,116
Income taxes-current	140,580	160,015
Income taxes-deferred	2,336	6,979
Total income taxes	142,916	166,995
Income before minority interests		53,121
Minority interests	2,747	2,495
Net income	47,645	50,626

## (3) Consolidated Statements of Cash Flows

(Millions of yen)

Accounts	For the six months ended September 30, 2009	For the six months ended September 30, 2010
Cash flows from operating activities		
Income before income taxes and minority interests	193,308	220,116
Depreciation and amortization	19,919	28,087
Amortization of goodwill	3,380	3,380
Loss on adjustment for changes of accounting standard for asset retirement obligations		1,555
Provision for allowance for recoverable accounts under production sharing	4,885	11,702
Provision for exploration projects	1,834	(2,453)
Provision for accrued retirement benefits to employees	(359)	(370)
Provision for site restoration and decommissioning costs	(68)	
Other provisions	1,369	1,725
Interest and dividend income	(4,535)	(4,243)
Interest expense	513	509
Foreign exchange loss (gain)	141	(2,685)
Equity in (earnings) losses of affiliates	902	(318)
Recovery of recoverable accounts under production sharing (capital expenditures)	25,067	23,918
Recoverable accounts under production sharing (operating expenditures)	(8,379)	(2,296)
Accounts receivable-trade	(3,325)	15,383
Inventories	2,174	(3,136)
Accounts payable-trade	740	17
Other	5,524	9,810
Subtotal	243,096	300,703
Interest and dividends received	5,738	5,322
Interest paid	(843)	(179)
Income taxes paid	(139,381)	(179,119)
Net cash provided by operating activities	108,610	126,727

(Millions of yen)

Accounts	For the six months ended September 30, 2009	For the six months ended September 30, 2010
Cash flows from investing activities		
Increase in time deposits	(2,857)	(243)
Decrease in time deposits	2,290	3,735
Payments for purchases of tangible fixed assets	(50,315)	(42,223)
Proceeds from sales of tangible fixed assets	22	270
Payments for purchases of intangible assets	(619)	(201)
Payments for purchases of marketable securities		(3,542)
Proceeds from sales of marketable securities	52,320	49,000
Payments for purchases of investment securities	(35,569)	(92,204)
Proceeds from sales of investment securities		10,079
Investment in recoverable accounts under production sharing (capital expenditures)	(49,191)	(39,859)
Decrease (increase) in short-term loans receivable	(1)	62
Long-term loans made	(5,450)	(1,125)
Collection of long-term loans receivable	13	556
Payments for purchase of mining rights		(28,045)
Other	(1,809)	(4,289)
Net cash used in investing activities	(91,168)	(148,029)
Cash flows from financing activities		
Proceeds from issuance of common stock		521,619
Increase (decrease) in short-term loans	15,693	(30)
Proceeds from long-term debt	17,681	20,354
Repayments of long-term debt	(2,498)	(2,157)
Proceeds from minority interests for additional shares	1,270	3,192
Cash dividends paid	(9,417)	(7,074)
Dividends paid to minority shareholders	(81)	(12,397)
Other	(66)	(35)
Net cash provided by financing activities	22,581	523,471
Effect of exchange rate changes on cash and cash equivalents	(6,360)	(11,498)
Net increase in cash and cash equivalents	33,662	490,671
Cash and cash equivalents at beginning of the period	162,844	216,395
Increase in cash and cash equivalents from newly consolidated subsidiary		4
Cash and cash equivalents at end of the period	196,507	707,071

(4) Conditions or events that indicate there could be substantial doubt about the Company's ability to continue as a going concern

For the six months ended September 30, 2010 (April 1, 2010 through September 30, 2010):

None

(5) Segment information

【Business segment information】

For the six months ended September 30, 2009 (April 1, 2009 through September 30, 2009)

Segment information by business has been omitted because the crude oil and natural gas business accounts for more than 90% of total sales and operating income.

【Geographical segment information】

For the six months ended September 30, 2009 (April 1, 2009 through September 30, 2009)

(Millions of yen)

	Japan	Asia - Oceania	Eurasia (Europe-NIS)	Middle East - Africa	Americas	Total	Eliminations and other	Consolidated
Net sales								
(1) Sales to third parties	38,846	166,323	37,160	142,033	8,242	392,606		392,606
(2) Intercompany sales and transfers between segments								
Total	38,846	166,323	37,160	142,033	8,242	392,606		392,606
Operating income	10,751	82,618	14,801	96,348	1,924	206,445	(4,160)	202,284

Notes: 1. Countries and areas are segmented based on their geographic proximity and their mutual operational relationships.

2. Major countries and areas that belong to segments other than Japan are as follows:

(1) Asia - Oceania..... Indonesia, Australia, East Timor, Vietnam

(2) Eurasia (Europe - NIS)..... Azerbaijan, Kazakhstan, UK

(3) Middle East - Africa..... UAE, D.R. Congo, Iran, Libya, Egypt, Algeria, Angola

(4) Americas..... Venezuela, Ecuador, USA, Canada, Surinam, Brazil

【Overseas sales】

For the six months ended September 30, 2009 (April 1, 2009 through September 30, 2009)

	Asia - Oceania	Other	Total
I. Overseas sales (Millions of yen)	125,722	30,978	156,700
II. Consolidated sales (Millions of yen)			392,606
III. Overseas sales as a percentage of consolidated sales (%)	32.0	7.9	39.9

Notes: 1. Countries and areas are segmented based on their geographic proximity.

2. Major countries and areas that belong to segments other than Japan are as follows:

(1) Asia - Oceania..... South Korea, Taiwan, Indonesia, Singapore, Thailand, India, Australia

(2) Other..... USA, Italy

3. Overseas sales represent sales to countries and regions outside of Japan, which is determined based upon the final destination.

**【Segment information】**

1. Overview of reportable segments

For the Company's oil and natural gas development activities, the Board of Directors make the Group management decisions with respect to each mining area and others, the separate financial information of which is available.

The Company operates oil and natural gas businesses globally, thus, the Company's reportable segments are entities of individual mining areas and others aggregated by geographical region. These are classified into following segments: "Japan", "Asia - Oceania" (principally Indonesia, Australia and East Timor), "Eurasia (Europe - NIS)" (principally Azerbaijan), "Middle East - Africa" (principally UAE) and "Americas."

The Company produces oil and natural gas in each segment. In addition, the Company conducts marketing activities for petroleum products and others in "Japan" segment.

2. Information on sales and income (loss) by reportable segment

For the six months ended September 30, 2010 (April 1, 2010 through September 30, 2010)

(Millions of yen)

	Reportable segments						Adjustment *1	Consolidated *2
	Japan	Asia - Oceania	Eurasia (Europe- NIS)	Middle East -Africa	Americas	Total		
Net sales								
(1) Sales to third parties	47,022	199,960	21,078	157,137	7,793	432,992		432,992
(2) Intercompany sales and transfers between segments								
Total	47,022	199,960	21,078	157,137	7,793	432,992		432,992
Segment income (loss)	8,832	112,908	9,836	106,875	(1,587)	236,866	(4,258)	232,608

Note: 1. Adjustments of segment income of ¥(4,258) million includes elimination of intersegment transactions of ¥117 million and corporate expenses of ¥(4,376) million. Corporate expenses are mainly amortization of goodwill not attributable to a reportable segment and general administrative expenses.

2. Segment income was reconciled with quarterly consolidated operating income.

3. Information on impairment loss from fixed assets, goodwill, and others by reportable segment:

None

(Additional Information)

Effective from the first quarter ended June 30, 2010, the Company adopted the "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No.17, issued on March 27, 2009) and the "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No.20, issued on March 21, 2008).

(6) Note on significant changes in shareholders' equity

For the six months ended September 30, 2010 (April 1, 2010 through September 30, 2010):

The Company issued new shares by way of offering on August 2, 2010 as its due date, and by way of third-party allotment on August 31, 2010 as its due date.

As a result of this, capital stock increased by ¥260,809 million to ¥290,809 million and capital surplus increased by ¥260,809 million to ¥679,287 million as of September 30, 2010, respectively.

#### 4. Supplementary information

##### (1) Production, orders received and sales performance

###### 1) Actual production

The following table shows actual production by business segment for the six months ended September 30, 2009:

Business segment	Category	For the six months ended September 30, 2009
Crude oil and natural gas	Crude oil	39 MMbbls (216 Mbbls per day)
	Natural gas	205 Bcf (1,119 MMcf per day)
	Subtotal	74 MMboe (402 Mboe per day)
	Petroleum products	116 Mkl (732 Mbbls)
	Iodine	206 tons
	Electric power generation	56 millions kWh

- Notes:
- The volume of LPG produced overseas is included in 'Crude oil.' On the other hand, the volume of LPG produced in the domestic refinery is included in 'Petroleum Products.'
  - A portion of crude oil production volume is consumed as material for petroleum products.
  - A portion of crude oil and natural gas production volume is consumed as fuel to generate electricity.
  - The production by the Company's affiliates accounted for by the equity method is included in the figures above. Also the production volume is a result for the six months ended September 30 regardless of a closing date of fiscal periods of its subsidiaries or affiliates.
  - The production volume of crude oil and natural gas under the production sharing contracts entered into by INPEX Group corresponds to the net economic take of the group.  
Figures calculated by multiplying the gross production volume by the Company's interest share are 61 MMbbls (336 Mbbls per day) of crude oil, 271 Bcf (1,480MMcf per day) of natural gas, and in total 107 MMboe (583 Mboe per day). For calculating the gas production based on interest share, 100% of the gas production volume measured at wellhead (separator gas) had been used until the year ended March 31, 2009. However, from the year ended March 31, 2010, the Company applies marketable gas volume basically adjusted for delivery specifications, excluding own fuel consumption, re-injection, losses as flare, diffusion, process loss and inert gas generated at plant etc.
  - Boe means barrels of oil equivalent.
  - The volume of petroleum products is converted to bbl in parenthesis. Applied coefficient is 6.29 bbls per kl.
  - Iodine is refined by other company on consignment.
  - Figures are rounded to the nearest whole number.

The following table shows actual production by segment for the six months ended September 30, 2010

Segment	Category	For the six months ended September 30, 2010
Japan	Crude oil	0.6 MMbbls (3.5 Mbbls per day)
	Natural gas	20.1 Bcf (109.6 MMcf per day)
	Subtotal	4.0 MMboe (21.8 Mboe per day)
	Petroleum products	114.1 Mkl (718.0 Mbbls)
	Iodine	221.5 tons
	Electric power generation	94.8 millions kWh
Asia - Oceania	Crude oil	13.8 MMbbls (75.4 Mbbls per day)
	Natural gas	166.5 Bcf (910.0 MMcf per day)
	Subtotal	41.6 MMboe (227.1 Mboe per day)
Eurasia (Europe - NIS)	Crude oil	5.1 MMbbls (27.8 Mbbls per day)
Middle East - Africa	Crude oil	24.0 MMbbls (131.4 Mbbls per day)
Americas	Crude oil	1.4 MMbbls (7.9 Mbbls per day)
	Natural gas	15.6 Bcf (85.1 MMcf per day)
	Subtotal	4.0 MMbbls (22.1 Mboe per day)
Total	Crude oil	45.0 MMbbls (246.0 Mbbls per day)
	Natural gas	202.2 Bcf (1,104.7 MMcf per day)
	Subtotal	78.7 MMboe (430.1 Mboe per day)
	Petroleum products	114.1 Mkl (718.0 Mbbls)
	Iodine	221.5 tons
	Electric power generation	94.8 millions kWh

- Notes:
1. The volume of LPG produced overseas is included in 'Crude oil.' On the other hand, the volume of LPG produced in the domestic refinery is included in 'Petroleum Products.'
  2. A portion of crude oil production volume is consumed as material for petroleum products.
  3. A portion of crude oil and natural gas production volume is consumed as fuel to generate electricity.
  4. The production by the Company's affiliates accounted for by the equity method is included in the figures above. Also the production volume is a result for the six months ended September 30 regardless of a closing date of fiscal periods of its subsidiaries or affiliates.
  5. The production volume of crude oil and natural gas under the production sharing contracts entered into by INPEX Group corresponds to the net economic take of the group.  
Figures calculated by multiplying the gross production volume by the Company's interest share are 65.5 MMbbls (357.7 Mbbls per day) of crude oil, 271.3 Bcf (1,482.4 MMcf per day) of natural gas, and in total 110.7 MMboe (604.8 Mboe per day).
  6. Boe means barrels of oil equivalent.
  7. The volume of petroleum products is converted to bbl in parenthesis. Applied coefficient is 6.29 bbls per kl.
  8. Iodine is refined by other company on consignment.
  9. Figures are rounded to the nearest whole number.



2) Orders received

Disclosure on this information is omitted because the amount of orders received accounts for a minor portion of total sales.

3) Actual sales

- a) The Company takes back the full amount of crude oil produced overseas allocated to us under production sharing contracts and produced under concession agreements, and sell it to domestic and foreign customers. The Company sells most of natural gas produced in Indonesia in the form of LNG to Japanese power companies, city gas companies and customers in South Korea, Taiwan and other countries through PERTAMINA. In addition, the Company sells natural gas produced in Japan to customers using our pipeline.
- b) The following table shows sales by business segment for the six months ended September 30, 2009:

(Millions of yen)

Business segment	Category	For the six months ended September 30, 2009	
		Crude oil and natural gas	Crude Oil
Natural Gas	205,766 MMcf		148,045
	LPG: 1,019 Mbbls		
Other	10,660		
Subtotal	391,269		
Other		1,337	
Total		392,606	

- Notes:
1. The above amounts do not include the related consumption tax.
  2. The Company's subsidiaries of which closing date for fiscal year is December 31 are principally consolidated their operating results for the six months ended June 30, 2009 except those subsidiaries prepared their financial statements for consolidation purpose as of the consolidation closing date. However, the significant effects of the difference in fiscal periods were properly adjusted in consolidation.
  3. Sales volumes are rounded to the nearest whole number.

c) The following table shows sales by segment for the six months ended September 30, 2010:

(Millions of yen)

Segment	Category	For the six months ended September 30, 2010	
		Sales volume	Net sales
Japan	Crude Oil	73 Mbbls	543
	Natural Gas (excluding LPG)	27,901 MMcf	31,997
	LPG	126 Mbbls	1,419
	Other		13,061
	Subtotal		47,022
Asia - Oceania	Crude Oil	9,362 Mbbls	65,836
	Natural Gas (excluding LPG)	155,675 MMcf	125,249
	LPG	1,518 Mbbls	8,874
	Subtotal		199,960
Eurasia (Europe - NIS)	Crude Oil	2,979 Mbbls	21,078
Middle East - Africa	Crude Oil	23,336 Mbbls	157,137
Americas	Crude Oil	745 Mbbls	4,693
	Natural Gas (excluding LPG)	15,866 MMcf	3,099
	Subtotal		7,793
Total	Crude Oil	36,496 Mbbls	249,290
	Natural Gas (excluding LPG)	199,442 MMcf	160,346
	LPG	1,645 Mbbls	10,293
	Other		13,061
	Total		432,992

- Notes:
1. The above amounts do not include the related consumption tax.
  2. The Company's subsidiaries of which closing date for fiscal year is December 31 are principally consolidated their operating results for the six months ended June 30, 2010 except those subsidiaries prepared their financial statements for consolidation purpose as of the consolidation closing date. However, the significant effects of the difference in fiscal periods were properly adjusted in consolidation.
  3. Sales volumes are rounded to the nearest whole number.
  4. Sales for major customers and sales as a percentage of total net sales are as follows. Sales amount of PERTAMINA consists mostly of natural gas, and over half of them are sold to Japanese customers in the form of LNG.

Customers	For the six months ended September 30, 2009		For the six months ended September 30, 2010	
	Amounts (Millions of yen )	Ratio (%)	Amounts (Millions of yen )	Ratio (%)
PERTAMINA	114,927	29.3	127,235	29.4
Idemitsu Kosan Co., Ltd.	40,358	10.3	34,656	8.0