

Consolidated Financial Results for the Nine Months ended December 31, 2013 [Japanese GAAP]

February 7, 2014

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

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Scheduled date of filing Quarterly Financial Report : February 12, 2014

Scheduled date of payment of cash dividends : —

Preparation of supplementary explanatory materials : Yes

Meeting of quarterly financial results presentation : No

(Amounts less than one million yen are rounded off)

1. Consolidated Financial Results for the Nine Months ended December 31, 2013 (April 1, 2013-December 31, 2013)

(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 nine months ended December 31, 2013	996,901	12.2	547,277	6.8	543,748	5.1	107,068	(22.0)
December 31, 2012	888,318	2.8	512,552	1.0	517,138	2.3	137,297	18.5

(Note): Consolidated comprehensive income: for the nine months ended December 31, 2013, ¥264,318 million; (46.6%)
 for the nine months ended December 31, 2012, ¥180,262 million; (81.0%)

	Net income per share—basic	Net income per share—diluted
For the nine months ended	Yen	Yen
December 31, 2013	73.32	—
December 31, 2012	94.02	—

(Note): The Company conducted a stock split at a ratio of 1:400 of common stock with October 1, 2013 as the effective date. Net income per share is calculated based on the assumption that the stock split was conducted on April 1, 2012.

(2) Consolidated financial position

	Total assets	Net assets	Net assets excluding minority interests as a percentage of total assets
As of December 31, 2013	Millions of Yen 3,962,109	Millions of Yen 2,913,448	% 68.5
As of March 31, 2013	3,616,158	2,670,983	68.6

(Reference): Net assets excluding minority interests: as of December 31, 2013, ¥2,715,691 million
 as of March 31, 2013, ¥2,481,292 million

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, 2013	Yen —	Yen 3,500.00	Yen —	Yen 3,500.00	Yen 7,000.00
For the year ending March 31, 2014	—	3,600.00			
For the year ending March 31, 2014 (forecast)			—	9.00	—

(Note): 1. Changes in projected dividends for the year ending March 31, 2014 from the previous forecast: None

2. Forecast information about year-end dividends for the fiscal year ending March 31, 2014 is provided after taking into consideration the effect of the stock split conducted at a ratio of 1:400 as to common stock with October 1, 2013 as the effective date.

If adjusted to reflect the number of shares prior to the stock split, the forecast of fiscal year end dividend amount will be equivalent to ¥3,600.

3. Above information of "Dividends" is regarding common stock. For information regarding Class A stock (which is not listed), please refer to Exhibit "Dividends of Class A stock".

3. Forecasted Consolidated Financial Results for the year ending March 31, 2014 (April 1, 2013-March 31, 2014)

(Figures in % represent the changes from the previous fiscal 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, 2014	1,317,000	8.3	707,000	2.0	720,000	0.3	160,000	(12.5)	109.56

(Note): 1. Changes in forecasted consolidated financial results for the year ending March 31, 2014 from the previous forecast: Yes

2. Forecast information about net income per share for the fiscal year ending March 31, 2014 is provided after taking into consideration the effect of the stock split conducted at a ratio of 1:400 as to common stock with October 1, 2013 as the effective date.

Notes

(1) Significant changes in scope of consolidation : None
(Changes in the specified subsidiaries during the period due to change in scope of consolidation)

(2) Adoption of accounting treatments which are exceptional for quarterly consolidated financial statements : None

(3) Changes in accounting policies, accounting estimates and restatement of corrections

1. Changes in accounting policies resulting from the revision of the accounting standards and other regulations : None
2. Other changes in accounting policies : None
3. Changes in accounting estimates : None
4. Restatement of corrections : None

(4) Number of shares issued (Common stock)

1. Number of shares issued at the end of the period (including treasury stock): 1,462,323,600 shares as of December 31, 2013
1,462,323,600 shares as of March 31, 2013
2. Number of treasury stock at the end of the period: 1,966,400 shares as of December 31, 2013
1,966,400 shares as of March 31, 2013
3. Average number of shares: 1,460,357,200 shares for the nine months ended December 31, 2013
1,460,357,200 shares for the nine months ended December 31, 2012

(Note): The Company conducted a stock split at a ratio of 1:400 of common stock with October 1, 2013 as the effective date. Number of shares issued is calculated based on the assumption that the stock split was conducted on April 1, 2012. For Class A stock (which is not listed), no stock split was implemented.

* 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

*1: 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) Explanation regarding future forecast information such as Forecasts for Consolidated Financial Results" on page 3.

*2: The Company conducted a stock split at a ratio of 1:400 of common stock with October 1, 2013 as the effective date.

Exhibit:

Dividends of Class A stock

	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, 2013	Yen —	Yen 3,500.00	Yen —	Yen 3,500.00	Yen 7,000.00
For the year ending March 31, 2014	—	3,600.00			
For the year ending March 31, 2014 (forecast)			—	3,600.00	7,200.00

* The Company conducted a stock split at a ratio of 1:400 of common stock with October 1, 2013 as the effective date, however, for Class A stock (which is not listed), no stock split was implemented. The article, which shows that dividends of Class A stock are equivalent to dividends of a common stock prior to the stock split, is specified in the Articles of Incorporation.

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1. Qualitative Information / Financial Statements

(1) Explanation on Consolidated Financial Results

During the nine months ended December 31, 2013, consolidated net sales were ¥996.9 billion (increased by ¥108.5 billion, or 12.2%, from the corresponding period of the previous fiscal year) due to the depreciation of Japanese yen against U.S. dollar. Net sales of crude oil increased by ¥72.8 billion, or 12.6%, to ¥649.9 billion, and net sales of natural gas increased by ¥44.6 billion, or 15.5%, to ¥332.3 billion. Sales volume of crude oil decreased by 4,999 thousand barrels, or 7.6%, to 60,389 thousand barrels. Sales volume of natural gas increased by 8,482 million cf, or 3.6%, to 241,776 million cf. Sales volume of overseas natural gas increased by 7,790 million cf, or 4.2%, to 195,363 million cf, and sales volume of domestic natural gas increased by 19 million m³, or 1.5%, to 1,244 million m³ (46,414 million cf). The average sales price of overseas crude oil decreased by US\$1.99, or 1.8%, to US\$107.76 per barrel, and the average sales price of overseas natural gas decreased by US\$0.55, or 4.0%, to US\$13.05 per thousand cf. On the other hand, the average sales price of domestic natural gas increased by ¥3.15, or 6.7%, to ¥50.07 per m³. The average exchange rate of Japanese yen against U.S. dollar on consolidated net sales depreciated by ¥19.43, or 24.3%, to ¥99.43 per U.S. dollar from the corresponding period of the previous fiscal year.

The increase of ¥108.5 billion in net sales was mainly derived from the following factors: regarding net sales of crude oil and natural gas, decreases in sales volume and unit sales price pushing sales down of ¥39.9 billion and ¥21.1 billion, respectively, the depreciation of Japanese yen against U.S. dollar contributing ¥178.5 billion to the increase, and a decrease in net sales excluding crude oil and natural gas of ¥8.8 billion.

Cost of sales for the nine months ended December 31, 2013 increased by ¥53.9 billion, or 17.3%, to ¥366.2 billion due mainly to the depreciation of Japanese yen against U.S. dollar. Exploration expenses increased by ¥13.4 billion, or 161.6%, to ¥21.7 billion due mainly to an increase in exploration activities in the Middle East and Africa region. Selling, general and administrative expenses increased by ¥6.4 billion, or 11.7%, to ¥61.6 billion. As a result, operating income increased by ¥34.7 billion, or 6.8%, to ¥547.2 billion.

Other income decreased by ¥15.3 billion, or 37.0%, to ¥26.0 billion due to decreases in gain on transfer of mining rights and equity in earnings of affiliates. Other expenses decreased by ¥7.2 billion, or 19.6%, to ¥29.6 billion due to a decrease in foreign exchange loss. As a result, ordinary income and income before income taxes and minority interests increased by ¥26.6 billion, or 5.1%, to ¥543.7 billion.

Total amount of current income taxes decreased by ¥10.2 billion, or 2.6%, to ¥381.0 billion, and deferred income taxes were ¥54.6 billion, income before minority interests decreased by ¥32.0 billion, or 22.9%, to ¥108.0 billion, and minority interests were ¥0.9 billion. As a result of the above effects, net income for the nine months ended December 31, 2013 decreased by ¥30.2 billion, or 22.0%, to ¥107.0 billion from the corresponding period of the previous fiscal year.

Financial results by segment are as follows:

1) Japan

Net sales decreased by ¥0.3 billion, or 0.4%, to ¥82.9 billion due to a decrease in sales volume of petroleum products. Operating income decreased by ¥6.3 billion, or 39.5%, to ¥9.7 billion due mainly to an increase in exploration expenses.

2) Asia & Oceania

Net sales decreased by ¥3.8 billion, or 1.1%, to ¥360.6 billion due to decreases in sales price of crude oil and sales volume, despite the depreciation of Japanese yen against U.S. dollar. Operating income decreased by ¥18.6 billion, or 8.6%, to ¥196.6 billion due mainly to an increase in operating expenses by the depreciation of Japanese yen against U.S. dollar.

3) Eurasia (Europe & NIS)

Net sales increased by ¥16.1 billion, or 27.3%, to ¥75.4 billion due to the depreciation of Japanese yen against U.S. dollar and an increase in sales volume, despite a decrease in sales price of crude oil. Operating income increased by ¥5.0 billion, or 18.4%, to ¥32.6 billion.

4) Middle East & Africa

Net sales increased by ¥92.9 billion, or 24.6%, to ¥470.7 billion due to the depreciation of Japanese yen against U.S. dollar and an increase in sales volume, despite a decrease in sales price of crude oil. Operating income increased by ¥55.6 billion, or 21.0%, to ¥321.0 billion.

5) Americas

Net sales increased by ¥3.6 billion, or 104.8%, to ¥7.1 billion due to an increase in sales volume of natural gas. Meanwhile, operating loss increased by ¥0.7 billion, or 15.8%, to ¥5.2 billion due to an increase in operating expenses.

(2) Explanation on Consolidated Financial Position

Total assets as of December 31, 2013 increased by ¥345.9 billion to ¥3,962.1 billion from ¥3,616.1 billion as of March 31, 2013. This is due mainly to an increase in fixed assets by ¥303.4 billion owing to increases in tangible fixed assets and intangible assets. Meanwhile, total liabilities increased by ¥103.4 billion to ¥1,048.6 billion from ¥945.1 billion as of March 31, 2013. Current liabilities decreased by ¥39.5 billion to ¥375.3 billion and long-term liabilities increased by ¥143.0 billion to ¥673.2 billion. Net assets increased by ¥242.4 billion to ¥2,913.4 billion. Minority interests in net assets increased by ¥8.0 billion to ¥197.7 billion.

Cash and cash equivalents as of December 31, 2013 totaled ¥124.6 billion reflecting a net decrease of ¥75.2 billion from ¥199.8 billion at beginning of the period.

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

Note that net cash increased by ¥54.1 billion due to the effect of exchange rate changes on cash and cash equivalents.

1) Cash flows from operating activities

Net cash provided by operating activities was ¥126.9 billion (decreased by ¥47.9 billion from the corresponding period of the previous fiscal year). This is due mainly to an increase in income taxes paid and recoverable accounts under production sharing (operating expenditures), despite an increase in income before income taxes and minority interests.

2) Cash flows from investing activities

Net cash used in investing activities increased by ¥17.7 billion to ¥297.1 billion. This is due mainly to an occurrence of payments for long-term time deposits and an increase in payments for purchase of tangible fixed assets, despite a decrease in payments for purchase of mining rights and a decrease in long-term loans made.

3) Cash flows from financing activities

Net cash provided by financing activities increased by ¥1.2 billion to ¥40.7 billion. This is due mainly to an increase in proceeds from long-term debt, despite a decrease in proceeds from minority interests for additional shares.

(3) Explanation regarding future forecast information such as Forecasts for Consolidated Financial Results

Forecasts for consolidated financial results for the year ending March 31, 2014 have been revised from the previous forecasts presented on November 7, 2013, taking into consideration the consolidated financial results for the nine months ended December 31, 2013.

Forecasts for consolidated financial results for the year ending March 31, 2014

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Previous Forecasts: A	1,268,000	651,000	671,000	153,000
Revised Forecasts: B	1,317,000	707,000	720,000	160,000
Increase (Decrease): B—A	49,000	56,000	49,000	7,000
Percentage change (%)	3.9	8.6	7.3	4.6

The above forecasts are calculated based on the following assumptions:

	Previous Forecasts	Revised Forecasts
Crude oil price (Brent)	1 st Half (April 1, 2013-September 30, 2013): US\$106.5/bbl (Actual) 2 nd Half (October 1, 2013-March 31, 2014): US\$100.0/bbl Full Year (April 1, 2013-March 31, 2014): US\$103.3/bbl (Average)	1 st Half (April 1, 2013-September 30, 2013): US\$106.5/bbl (Actual) 2 nd Half (October 1, 2013-March 31, 2014): US\$104.7/bbl Full Year (April 1, 2013-March 31, 2014): US\$105.6/bbl (Average)
Exchange rate	1 st Half (April 1, 2013-September 30, 2013): ¥98.9/US\$ (Actual) 2 nd Half (October 1, 2013-March 31, 2014): ¥95.0/US\$ Full Year (April 1, 2013-March 31, 2014): ¥96.9/US\$ (Average)	1 st Half (April 1, 2013-September 30, 2013): ¥98.9/US\$ (Actual) 2 nd Half (October 1, 2013-March 31, 2014): ¥102.7/US\$ Full Year (April 1, 2013-March 31, 2014): ¥100.8/US\$ (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 the Company sells are lower than Brent price.

2. Notes Regarding Summary Information (Notes)

(1) Significant changes in scope of consolidation:
None

(2) Adoption of accounting treatments which are exceptional for quarterly consolidated financial statements:
None

(3) Changes in accounting policies, accounting estimates and restatement of corrections:
None

3. Consolidated Financial Statements
(1) Consolidated Balance Sheet

(Millions of yen)

Accounts	As of March 31, 2013	As of December 31, 2013
(Assets)		
Current assets		
Cash and deposits	483,814	642,046
Accounts receivable-trade	117,411	132,437
Marketable securities	281,642	202,498
Inventories	15,409	26,280
Other	223,145	162,801
Less allowance for doubtful accounts	(14,919)	(17,068)
Total current assets	1,106,504	1,148,996
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	102,965	149,430
Wells, net	19,777	22,524
Machinery, equipment and vehicles, net	71,477	102,549
Land	19,560	19,704
Construction in progress	359,429	535,055
Other, net	11,330	20,217
Total tangible fixed assets	584,541	849,482
Intangible assets		
Goodwill	87,840	82,769
Other	292,314	335,616
Total intangible assets	380,155	418,385
Investments and other assets		
Investment securities	673,129	550,858
Recoverable accounts under production sharing	590,565	658,553
Other	400,046	460,660
Less allowance for doubtful accounts	(793)	(865)
Less allowance for recoverable accounts under production sharing	(112,870)	(120,027)
Less allowance for investments in exploration	(5,119)	(3,935)
Total investments and other assets	1,544,957	1,545,244
Total fixed assets	2,509,654	2,813,112
Total assets	3,616,158	3,962,109

(Millions of yen)

Accounts	As of March 31, 2013	As of December 31, 2013
(Liabilities)		
Current liabilities		
Accounts payable-trade	41,401	50,509
Short-term loans	8,560	20,020
Income taxes payable	152,681	98,191
Provision for exploration projects	26,856	8,563
Accrued bonuses to officers	127	86
Asset retirement obligations	3,812	6,316
Other	181,536	191,707
Total current liabilities	414,976	375,395
Long-term liabilities		
Long-term debt	466,908	567,742
Accrued retirement benefits to employees	8,580	8,730
Provision for loss on business	3,705	4,154
Accrued special repair and maintenance	277	242
Asset retirement obligations	13,581	18,836
Other	37,144	73,558
Total long-term liabilities	530,198	673,265
Total liabilities	945,174	1,048,660
(Net assets)		
Shareholders' equity		
Common stock	290,809	290,809
Capital surplus	679,287	679,287
Retained earnings	1,375,106	1,456,253
Treasury stock	(5,248)	(5,248)
Total shareholders' equity	2,339,956	2,421,102
Accumulated other comprehensive income		
Unrealized holding gain on securities	34,741	65,196
Unrealized gain (loss) from hedging instruments	16,243	(28,782)
Translation adjustments	90,350	258,173
Total accumulated other comprehensive income	141,336	294,588
Minority interests	189,691	197,757
Total net assets	2,670,983	2,913,448
Total liabilities and net assets	3,616,158	3,962,109

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
Consolidated Statement of Income

(Millions of yen)

Accounts	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013
Net sales	888,318	996,901
Cost of sales	312,270	366,259
Gross profit	576,047	630,642
Exploration expenses	8,313	21,745
Selling, general and administrative expenses	55,181	61,618
Operating income	512,552	547,277
Other income		
Interest income	5,093	13,220
Dividend income	2,771	3,264
Equity in earnings of affiliates	1,624	—
Other	31,913	9,602
Total other income	41,402	26,087
Other expenses		
Interest expense	1,015	1,702
Equity in losses of affiliates	—	1,915
Provision for allowance for recoverable accounts under production sharing	9,071	4,670
Provision for exploration projects	4,645	827
Foreign exchange loss	17,774	11,590
Other	4,310	8,908
Total other expenses	36,816	29,616
Ordinary income	517,138	543,748
Income before income taxes and minority interests	517,138	543,748
Income taxes-current	391,339	381,076
Income taxes-deferred	(14,280)	54,666
Total income taxes	377,059	435,742
Income before minority interests	140,079	108,005
Minority interests	2,781	937
Net income	137,297	107,068

Consolidated Statement of Comprehensive Income

(Millions of yen)

Accounts	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013
Income before minority interests	140,079	108,005
Other comprehensive income		
Unrealized holding gain on securities	3,780	30,443
Unrealized gain (loss) from hedging instruments	11,060	(20,887)
Translation adjustments	25,480	167,158
Share of other comprehensive income of associates accounted for by the equity method	(138)	(20,402)
Total other comprehensive income	40,183	156,312
Comprehensive income	180,262	264,318
Total comprehensive income attributable to		
Shareholders of INPEX CORPORATION	178,469	260,320
Minority interests	1,792	3,997

(3) Consolidated Statement of Cash Flows

(Millions of yen)

Accounts	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013
Cash flows from operating activities		
Income before income taxes and minority interests	517,138	543,748
Depreciation and amortization	41,026	36,623
Amortization of goodwill	5,070	5,070
Provision for allowance for recoverable accounts under production sharing	10,198	11,425
Provision for exploration projects	5,062	(18,511)
Provision for accrued retirement benefits to employees	7	165
Other provisions	647	1,353
Interest and dividend income	(7,865)	(16,485)
Interest expense	1,015	1,702
Foreign exchange loss (gain)	17,855	17,615
Equity in (earnings) losses of affiliates	(1,624)	1,915
Recovery of recoverable accounts under production sharing (capital expenditures)	39,222	48,801
Recoverable accounts under production sharing (operating expenditures)	(14,051)	(38,025)
Accounts receivable-trade	(19,663)	(16,167)
Inventories	(4,820)	(11,041)
Accounts payable-trade	10,509	9,261
Other	(46,222)	(45,931)
Subtotal	553,506	531,519
Interest and dividends received	11,922	20,108
Interest paid	(753)	(1,391)
Income taxes paid	(389,799)	(423,310)
Net cash provided by operating activities	174,876	126,925

(Millions of yen)

Accounts	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013
Cash flows from investing activities		
Payments for time deposits	(115,687)	(129,055)
Proceeds from time deposits	106,417	212,455
Payments for long-term time deposits	—	(355,909)
Proceeds from long-term time deposits	5,000	38,500
Payments for purchases of tangible fixed assets	(139,704)	(234,547)
Proceeds from sales of tangible fixed assets	101	672
Payments for purchases of intangible assets	(3,654)	(2,676)
Payments for purchases of marketable securities	(17,709)	—
Proceeds from sales and redemptions of marketable securities	242,874	205,680
Payments for purchases of investment securities	(51,877)	(20,834)
Proceeds from sales and redemptions of investment securities	38,553	62,433
Investment in recoverable accounts under production sharing (capital expenditures)	(60,647)	(78,038)
Decrease (increase) in short-term loans receivable	799	(3,241)
Long-term loans made	(136,158)	(34,855)
Collection of long-term loans receivable	88	74,833
Payments for purchase of mining rights	(169,131)	(33,487)
Other	21,337	962
Net cash used in investing activities	(279,400)	(297,108)
Cash flows from financing activities		
Increase in short-term loans	2,672	1,633
Proceeds from long-term debt	31,697	67,238
Repayments of long-term debt	(2,810)	(6,144)
Proceeds from minority interests for additional shares	39,348	8,001
Cash dividends paid	(27,392)	(25,936)
Dividends paid to minority shareholders	(3,939)	(3,939)
Other	(45)	(64)
Net cash provided by financing activities	39,529	40,789
Effect of exchange rate changes on cash and cash equivalents	(1,380)	54,150
Net decrease in cash and cash equivalents	(66,374)	(75,242)
Cash and cash equivalents at beginning of the period	249,233	199,858
Increase in cash and cash equivalents from newly consolidated subsidiary	439	—
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(858)	—
Cash and cash equivalents at end of the period	182,440	124,616

(4) Notes to Consolidated Financial Statements

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

For the nine months ended December 31, 2013 (April 1, 2013 through December 31, 2013):

None

(Note on significant changes in shareholders' equity)

For the nine months ended December 31, 2013 (April 1, 2013 through December 31, 2013):

None

(Segment information)

I For the nine months ended December 31, 2012 (April 1, 2012 through December 31, 2012)

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

(Millions of yen)

	Reportable segments						Adjustments *1	Consolidated *2
	Japan	Asia & Oceania	Eurasia (Europe & NIS)	Middle East & Africa	Americas	Total		
Net sales								
Sales to third parties	83,288	364,513	59,211	377,792	3,511	888,318	—	888,318
Intercompany sales and transfers between segments	—	—	—	—	—	—	—	—
Total	83,288	364,513	59,211	377,792	3,511	888,318	—	888,318
Segment income (loss)	16,169	215,269	27,589	265,386	(4,539)	519,875	(7,323)	512,552

Note: 1. Adjustments of segment income of ¥(7,323) million include elimination of inter-segment transactions of ¥169 million and corporate expenses of ¥(7,492) million. Corporate expenses are mainly amortization of goodwill and general administrative expenses that are not allocated to a reportable segment.

2. Segment income is reconciled with operating income on the consolidated statement of income.

2. Information on impairment loss from fixed assets, goodwill and other items by reportable segment

None

II For the nine months ended December 31, 2013 (April 1, 2013 through December 31, 2013)

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

(Millions of yen)

	Reportable segments						Adjustments *1	Consolidated *2
	Japan	Asia & Oceania	Eurasia (Europe & NIS)	Middle East & Africa	Americas	Total		
Net sales								
Sales to third parties	82,971	360,629	75,404	470,704	7,191	996,901	—	996,901
Intercompany sales and transfers between segments	—	—	—	—	—	—	—	—
Total	82,971	360,629	75,404	470,704	7,191	996,901	—	996,901
Segment income (loss)	9,787	196,655	32,668	321,039	(5,257)	554,893	(7,616)	547,277

Note: 1. Adjustments of segment income of ¥(7,616) million include elimination of inter-segment transactions of ¥168 million and corporate expenses of ¥(7,784) million. Corporate expenses are mainly amortization of goodwill and general administrative expenses that are not allocated to a reportable segment.

2. Segment income is reconciled with operating income on the consolidated statement of income.

2. Information on impairment loss from fixed assets, goodwill and other items by reportable segment

None

(Subsequent events)

For the nine months ended December 31, 2013 (April 1, 2013 through December 31, 2013):

None

4. Supplementary Information

(1) Production, Orders Received and Sales Performance

1) Actual production

The following table shows actual production by segment:

Segment	Category	For the nine months ended December 31, 2012	For the nine months ended December 31, 2013
Japan	Crude oil	1.0 MMbbls (3.5 Mbbls per day)	0.9 MMbbls (3.2 Mbbls per day)
	Natural gas	32.4 Bcf (117.9 MMcf per day)	29.9 Bcf (108.9 MMcf per day)
	Subtotal	7.1 MMboe (25.6 Mboe per day)	6.5 MMboe (23.7 Mboe per day)
	Petroleum products	157.5 Mkl (991.0 Mbbls)	— Mkl (— Mbbls)
	Iodine	316.8 tons	339.4 tons
	Electric power generation	133.0 million kWh	162.9 million kWh
Asia & Oceania	Crude oil	16.8 MMbbls (61.1 Mbbls per day)	12.7 MMbbls (46.2 Mbbls per day)
	Natural gas	174.3 Bcf (634.0 MMcf per day)	179.6 Bcf (653.1 MMcf per day)
	Subtotal	49.7 MMboe (180.8 Mboe per day)	46.5 MMboe (169.2 Mboe per day)
Eurasia (Europe & NIS)	Crude oil	6.9 MMbbls (25.1 Mbbls per day)	7.2 MMbbls (26.3 Mbbls per day)
Middle East & Africa	Crude oil	43.0 MMbbls (156.4 Mbbls per day)	46.1 MMbbls (167.7 Mbbls per day)
Americas	Crude oil	0.1 MMbbls (0.5 Mbbls per day)	0.4 MMbbls (1.5 Mbbls per day)
	Natural gas	22.6 Bcf (82.3 MMcf per day)	29.7 Bcf (107.9 MMcf per day)
	Subtotal	4.2 MMboe (15.1 Mboe per day)	5.6 MMboe (20.4 Mboe per day)
Total	Crude oil	67.8 MMbbls (246.6 Mbbls per day)	67.3 MMbbls (244.9 Mbbls per day)
	Natural gas	229.4 Bcf (834.2 MMcf per day)	239.2 Bcf (869.9 MMcf per day)
	Subtotal	110.8 MMboe (403.1 Mboe per day)	112.0 MMboe (407.3 Mboe per day)
	Petroleum products	157.5 Mkl (991.0 Mbbls)	— Mkl (— Mbbls)
	Iodine	316.8 tons	339.4 tons
	Electric power generation	133.0 million kWh	162.9 million 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 nine months ended December 31 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 90.2 MMbbls (328.1 Mbbls per day) of crude oil, 315.8 Bcf (1,148.4 MMcf per day) of natural gas, and in total 149.7 MMboe (544.4 Mboe per day) for the nine months ended December 31, 2012, and 89.9 MMbbls (326.8 Mbbls per day) of crude oil, 322.1 Bcf (1,171.4 MMcf per day) of natural gas, and in total 150.2 MMboe (546.3 Mboe per day) for the nine months ended December 31, 2013.
 - 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 one decimal place.

2) Orders received

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

3) Actual sales

The following table shows sales by segment:

(Millions of yen)

Segment	Category	For the nine months ended December 31, 2012		For the nine months ended December 31, 2013	
		Sales volume	Net sales	Sales volume	Net sales
Japan	Crude oil	86 Mbbls	794	572 Mbbls	6,119
	Natural gas (excluding LPG)	45,722 MMcf	57,483	46,414 MMcf	62,276
	LPG	138 Mbbls	1,603	6 Mbbls	56
	Other		23,407		14,519
	Subtotal		83,288		82,971
Asia & Oceania	Crude oil	15,385 Mbbls	138,963	9,122 Mbbls	97,332
	Natural gas (excluding LPG)	168,637 MMcf	207,014	166,125 MMcf	246,324
	LPG	2,779 Mbbls	18,535	2,175 Mbbls	16,972
	Subtotal		364,513		360,629
Eurasia (Europe & NIS)	Crude oil	6,688 Mbbls	59,211	6,867 Mbbls	75,404
Middle East & Africa	Crude oil	43,185 Mbbls	377,792	43,794 Mbbls	470,704
Americas	Crude oil	44 Mbbls	383	33 Mbbls	422
	Natural gas (excluding LPG)	18,936 MMcf	3,127	29,238 MMcf	6,769
	Subtotal		3,511		7,191
Total	Crude oil	65,388 Mbbls	577,145	60,389 Mbbls	649,983
	Natural gas (excluding LPG)	233,295 MMcf	267,626	241,776 MMcf	315,370
	LPG	2,917 Mbbls	20,139	2,181 Mbbls	17,028
	Other		23,407		14,519
	Total		888,318		996,901

- Notes:
- The above amounts do not include the related consumption tax.
 - The Company's subsidiaries of which closing date for fiscal year is December 31 are principally consolidated their operating results for the nine months ended December 31 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.
 - Sales volumes are rounded to the nearest whole number.
 - Sales for a major customer and sales as a percentage of total net sales are as follows. Sales amount of PERTAMINA consists mostly of natural gas, and they are sold to Japanese, Korean, and Taiwanese customers in the form of LNG.

Customer	For the nine months ended December 31, 2012		For the nine months ended December 31, 2013	
	Amounts (Millions of yen)	Ratio (%)	Amounts (Millions of yen)	Ratio (%)
PERTAMINA	152,288	17.1	163,057	16.4
Idemitsu Kosan Co.,Ltd.	87,608	9.9	110,728	11.1