
Financial Results for the six months ended September 30, 2013
Support Material

INPEX CORPORATION

November 7, 2013

Cautionary Statement



This material includes forward-looking information that reflects the plan and expectations of the Company. Such forward-looking information is based on the current assumptions and judgments of the Company in light of the information currently available to it, and involves known and unknown risk, uncertainties, and other factors. Such risks, uncertainties and other factors may cause the Company's performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include, without limitation:

- Price volatility and change in demand in crude oil and natural gas
- Foreign exchange rate volatility
- Change in costs and other expenses pertaining to the exploration, development and production

The Company undertakes no obligation to publicly update or revise the disclosure of information in this material (including forward-looking information) after the date of this material.

Subsidiaries and Affiliates



61 consolidated subsidiaries

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

18 equity method affiliates

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

Highlights of the Consolidated Financial Results for the six months ended September 30, 2013 **INPEX**

	Apr.-Sep. '12	Apr.-Sep. '13	Change	%Change
Net Sales (Billions of yen)	578.5	650.4	71.9	12.4%
Crude Oil Sales	367.8	426.7	58.9	16.0%
Natural Gas Sales (including LPG)	195.0	214.8	19.8	10.2%
Others	15.6	8.8	(6.7)	(43.3%)
Operating Income (Billions of yen)	337.9	344.2	6.2	1.8%
Ordinary Income (Billions of yen)	363.8	350.6	(13.1)	(3.6%)
Net Income (Billions of yen)	111.3	80.0	(31.3)	(28.1%)
Net income per share (Yen) * (Reference: amount before stock split)	76.27 (30,508.24)	54.84 (21,934.51)	(21.43) (-8,573.73)	(28.1%)

Average number of shares issued and outstanding during the six months ended September 30, 2013(consolidated): 1,460,357,200

Average crude oil price (Brent) (\$/bbl)	109.19	106.53	(2.66)	(2.4%)
Average exchange rate (¥/\$)	79.41	98.86	19.45 Yen depreciation	24.5% Yen depreciation

*The company conducted a stock split at a ratio of 1:400 of common stock on October 1, 2013.

Net income per share is calculated based on the assumption that the stock split was conducted on April 1, 2012.

Net income per share before the stock split is also calculated for the reference purpose.

Crude Oil Sales



	Apr.-Sep. '12	Apr.-Sep. '13	Change	%Change
Net Sales (Billions of yen)	367.8	426.7	58.9	16.0%
Sales volume (thousand bbl)	42,120	40,578	(1,543)	(3.7%)
Average unit price of overseas production (\$/bbl)	109.24	106.21	(3.03)	(2.8%)
Average unit price of domestic production(¥/kl)	59,214	66,878	7,664	12.9%
Average exchange rate (¥/\$)	79.50	98.86	19.36 Yen depreciation	24.4% Yen depreciation
Sales volume by region (thousand bbl)	Apr.-Sep. '12	Apr.-Sep. '13	Change	%Change
Japan	3 (0 thousand kl)	383 (61 thousand kl)	380 (60 thousand kl)	-
Asia/Oceania	10,710	6,552	(4,159)	(38.8%)
Eurasia (Europe/NIS)	4,169	4,978	809	19.4%
Middle East/Africa	27,205	28,644	1,438	5.3%
Americas	33	21	(12)	(35.7%)
Total	42,120	40,578	(1,543)	(3.7%)

Natural Gas Sales (excluding LPG)



	Apr.-Sep. '12	Apr.-Sep. '13	Change	%Change
Net Sales (Billions of yen)	180.5	203.9	23.4	13.0%
Sales volume (million cf)	153,562	159,671	6,109	4.0%
Average unit price of overseas production (\$/thousand cf)	13.96	12.83	(1.13)	(8.1%)
Average unit price of domestic sales(¥/ m ³)	46.53	49.68	3.15	6.8%
Average exchange rate (¥/\$)	79.49	98.60	19.11 Yen depreciation	24.0% Yen depreciation
Sales volume by region (million cf)	Apr.-Sep. '12	Apr.-Sep. '13	Change	%Change
Japan	29,096 (780 million m ³ *)	29,395 (788 million m ³ *)	299 (8 million m ³ *)	1.0%
	Purchased Volume 259million m ³ *	Purchased Volume 260million m ³ *	1 million m ³ *	0.4%
Asia/Oceania	112,423	110,432	(1,991)	(1.8%)
Eurasia (Europe/NIS)	-	-	-	-
Middle East/Africa	-	-	-	-
Americas	12,043	19,844	7,800	64.8%
Total	153,562	159,671	6,109	4.0%

(FYI) LPG Sales

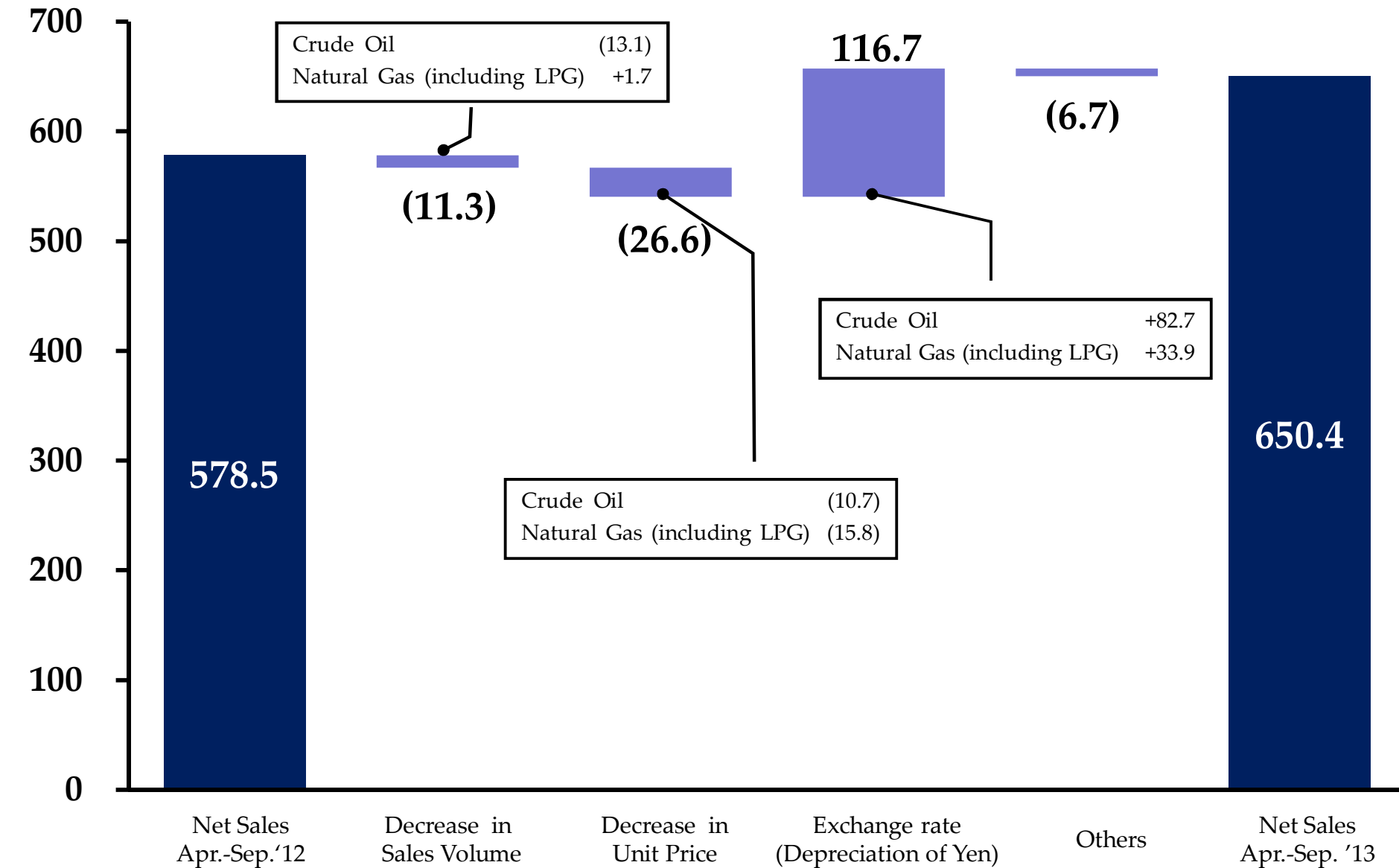
* 41.8605MJ / 1m³

	Apr.-Sep. '12	Apr.-Sep. '13	Change	%Change
Net Sales (Billions of yen)	14.4	10.8	(3.6)	(25.1%)

Analysis of Net Sales Increase



(Billions of Yen)



Statement of Income



(Billions of Yen)	Apr.-Sep. '12	Apr.-Sep. '13	Change	%Change	
Net Sales	578.5	650.4	71.9	12.4%	Crude Oil sales : 426.7 (Change) +58.9 Natural Gas sales* : 214.8 (Change) +19.8
Cost of Sales	201.9	249.2	47.2	23.4%	
Exploration expenses	4.0	16.6	12.5	307.7%	Cost of sales for Crude Oil : 145.9 (Change) +28.5 Cost of sales for Natural Gas* : 97.1 (Change) +23.3
Selling, general and administrative expenses	34.4	40.3	5.8	17.1%	
Operating Income	337.9	344.2	6.2	1.8%	Main Factors for change; Interest income +5.6 Absence of one-off gain on transfer of mining rights (22.7)
Other income	39.2	18.3	(20.9)	(53.2%)	
Other expenses	13.4	11.9	(1.4)	(11.1%)	Main Factors for change; Equity in losses of affiliates +3.4 Absence of loss on valuation of investment securities (4.9)
Ordinary Income	363.8	350.6	(13.1)	(3.6%)	
Income taxes-current	236.2	227.7	(8.4)	(3.6%)	
Income taxes-deferred	12.0	42.5	30.5	253.9%	
Minority interests	4.1	0.2	(3.9)	(95.0%)	
Net Income	111.3	80.0	(31.3)	(28.1%)	

* Including LPG

Other Income/Expenses

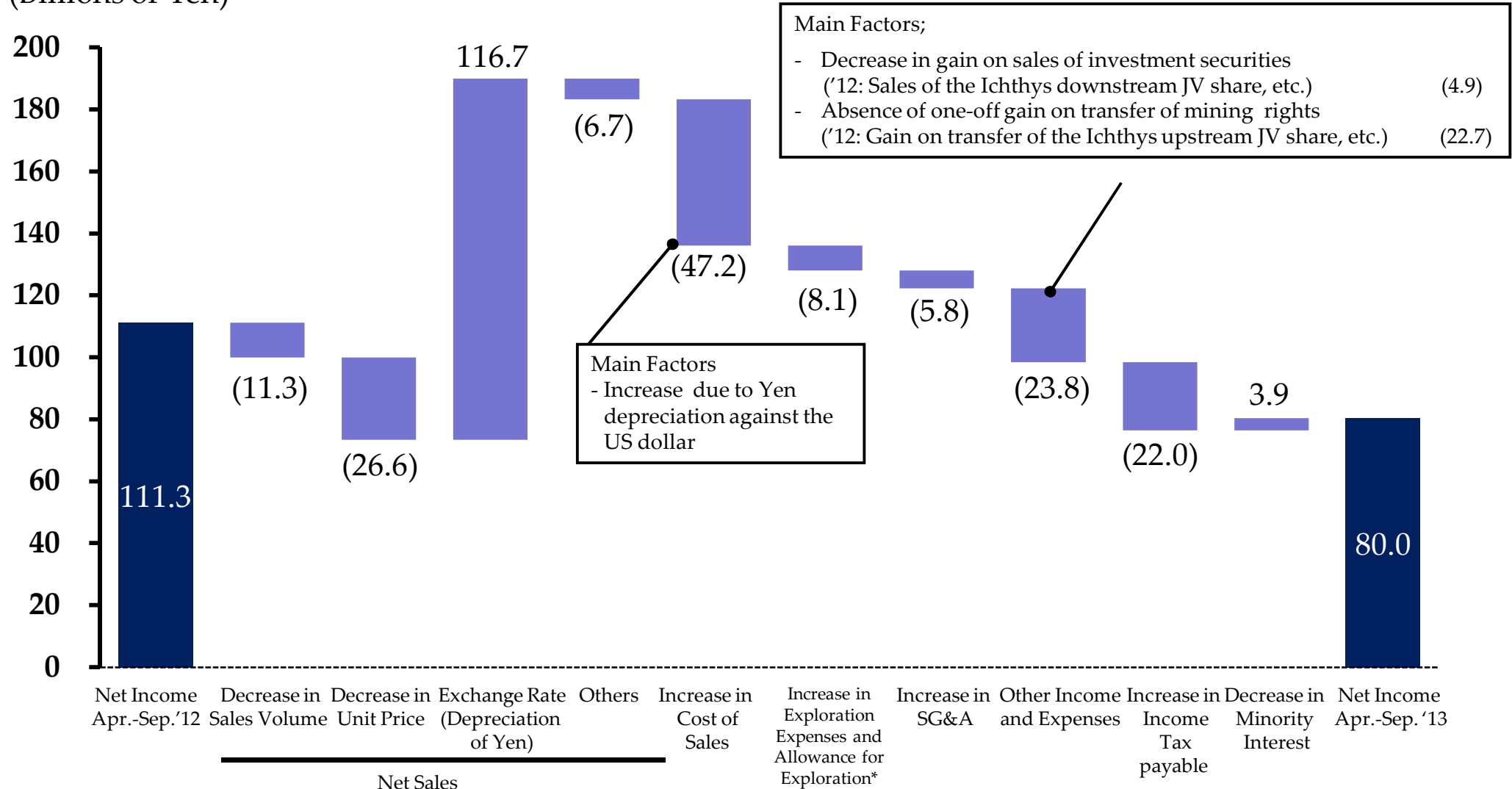


(Billions of Yen)	Apr.- Sep. '12	Apr.- Sep. '13	Change	%Change
Other income	39.2	18.3	(20.9)	(53.2%)
Interest income	3.1	8.7	5.6	183.2%
Dividend income	2.0	2.1	0.1	9.0%
Equity in earnings of affiliates	2.8	-	(2.8)	(100.0%)
Gain on transfer of mining rights	22.7	-	(22.7)	(100.0%)
Foreign exchange gain	0.4	-	(0.4)	(100.0%)
Other	8.1	7.3	(0.7)	(9.1%)
Other expenses	13.4	11.9	(1.4)	(11.1%)
Interest expense	0.5	1.1	0.5	94.9%
Equity in losses of affiliates	-	3.4	3.4	-
Provision for allowance for recoverable accounts under production sharing	3.2	0.4	(2.8)	(87.1%)
Provision for exploration projects	2.2	0.6	(1.6)	(72.5%)
Loss on valuation of investment securities	4.9	-	(4.9)	(100.0%)
Foreign exchange loss	-	1.2	1.2	-
Other	2.4	5.0	2.6	106.6%

Analysis of Net Income Decrease



(Billions of Yen)



*Provision for allowance for recoverable accounts under production sharing and Provision for exploration projects

Balance Sheet



(Billions of yen)	Mar. '13	Sep. '13	Change	%Change
Current assets	1,106.5	1,052.5	(53.9)	(4.9%)
Tangible fixed assets	584.5	738.3	153.7	26.3%
Intangible assets	380.1	414.4	34.2	9.0%
Recoverable accounts under production sharing	590.5	636.9	46.3	7.9%
Other	1,067.2	1,051.9	(15.3)	(1.4%)
Less allowance for recoverable accounts under production sharing	(112.8)	(119.2)	(6.3)	5.7%
Total assets	3,616.1	3,774.9	158.7	4.4%
Current liabilities	414.9	355.2	(59.6)	(14.4%)
Long-term liabilities	530.1	594.6	64.4	12.2%
Total net assets	2,670.9	2,824.9	154.0	5.8%
(Minority interests)	189.6	195.6	5.9	3.1%
Total liabilities and net assets	3,616.1	3,774.9	158.7	4.4%
Net assets per share (Yen) **	1,699.10	1,800.50	101.40	6.0%
(Reference: amount before stock split)	(679,640)	(720,198)	(40,558)	

Available fund (Billions of yen)
1,512.0*

Breakdown

- Cash and deposits : 573.4
- Long-term time deposits : 414.8
- Marketable securities : 201.5
- Available investment securities : 322.1

*Amounts to be allocated to the investments for development and exploration activities until the year ending March 31, 2017 following the "Medium-To Long -Term Vision of INPEX".

Shareholders' equity

Retained earnings : +67.3

Accumulated other comprehensive income : +80.7

- Unrealized holding gain on securities : +18.1
- Unrealized gain (loss) from hedging instruments : (36.9)
- Translation adjustments: +99.6

**The company conducted a stock split at a ratio of 1:400 of common stock on October 1, 2013.

Net assets per share is calculated based on the assumption that the stock split was conducted on April 1, 2012.

Net assets per share before the stock split is also calculated for the reference purpose.

Statement of Cash Flows



(Billions of Yen)	Apr.-Sep. '12	Apr.-Sep. '13	Change	%Change
Income before income taxes and minority interests	363.8	350.6	(13.1)	(3.6%)
Depreciation and amortization	25.9	23.9	(2.0)	(7.7%)
Recovery of recoverable accounts under production sharing (capital expenditures)	26.3	30.9	4.5	17.5%
Recoverable accounts under production sharing (operating expenditures)	(4.6)	(20.9)	(16.3)	354.6%
Income taxes paid	(287.1)	(290.7)	(3.5)	1.2%
Other	(13.6)	(22.6)	(8.9)	65.9%
Net cash provided by operating activities	110.6	71.2	(39.4)	(35.6%)
Payments for / Proceeds from long-term time deposits	5.0	(281.3)	(286.3)	—%
Purchase of tangible fixed assets	(67.9)	(139.1)	(71.1)	104.7%
Purchases of marketable securities/investment securities and proceeds from sales of marketable securities/investment securities (Net)	157.8	231.8	73.9	46.8%
Investment in recoverable accounts under production sharing (capital expenditures)	(41.2)	(53.7)	(12.4)	30.2%
Long-term loans made/Collection of long-term loans receivable	(91.6)	57.0	148.6	—%
Payments for purchase of mining rights	(157.6)	(27.0)	130.5	(82.8%)
Proceeds from transfer of mining rights	17.1	—	(17.1)	(100.0%)
Other	(2.5)	23.9	26.5	—%
Net cash used in investing activities	(180.9)	(188.4)	(7.5)	4.2%
Net cash provided by financing activities	7.5	25.3	17.8	238.3%
Cash and cash equivalents at end of the period	175.9	156.0	(19.8)	(11.3%)

Differences between Consolidated Financial Forecasts and Actual Results for the six months ended September 30, 2013 **INPEX**

- Assumptions

(August 2, 2013)	1 st half (Previous Forecasts)
Crude oil price (Brent) (US\$/bbl)	101.7
Exchange rate (yen/US\$)	96.9

↓

(November 7, 2013)	1 st half (Actual Results)
Crude oil price (Brent) (US\$/bbl)	106.5
Exchange rate (yen/US\$)	98.9

- Differences between Consolidated Financial Forecasts and Actual Results for the six months ended September 30, 2013

	Previous Forecasts (August 2, 2013)	Actual Results	Change	% Change
Net Sales (billions of yen)	603.0	650.4	47.4	7.9%
Operating income (billions of yen)	304.0	344.2	40.2	13.2%
Ordinary income (billions of yen)	312.0	350.6	38.6	12.4%
Net income (billions of yen)	69.0	80.0	11.0	15.9%

Revisions of Financial Forecasts for the year ending March 31, 2014



- Assumptions

(August 2, 2013)	1 st half	2 nd half	Full year
Crude oil price (Brent) (US\$/bbl)	101.7	100.0	100.8
Exchange rate (yen/US\$)	96.9	95.0	95.9

(November 7, 2013)	1 st half	2 nd half	Full year
Crude oil price (Brent) (US\$/bbl)	106.5*1	100.0	103.3
Exchange rate (yen/US\$)	98.9*2	95.0	96.9

*1 1st quarter (Actual) : US\$ 103.4/bbl, 2nd quarter (Actual) : US\$109.7/bbl *2 1st quarter (Actual) : ¥98.8/US\$1, 2nd quarter (Actual) : ¥99.0/US\$

- Financial Forecasts for the year ending March 31, 2014

	Previous forecasts (August 2, 2013)	Revised forecasts (November 7, 2013)	Change	% Change
Net Sales (billions of yen)	1,222.0	1,268.0	46.0	3.8%
Operating income (billions of yen)	615.0	651.0	36.0	5.9%
Ordinary income (billions of yen)	637.0	671.0	34.0	5.3%
Net income (billions of yen)	142.0	153.0	11.0	7.7%

- Dividend per share

	End of 2Q	End of fiscal year (forecast)
Year ending March 31, 2014 (yen)	3,600	9 *3

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

Net Income Sensitivities (1/2)



■ Sensitivities of crude oil price and foreign exchange fluctuation on consolidated net income for the year ending March 31, 2014 (Note 1)

(This is the sensitivity as of the announcement made in May 2013. The impact of Exchange Rate is shown in more detail below.)

(Billions of yen)

Crude Oil Price; \$1/bbl decrease (increase) (Note 2)	-2.2 (+2.2)
Exchange Rate; ¥1 appreciation (depreciation) against the U.S. dollar	-1.0 (± 0)
<ul style="list-style-type: none"> ➤ Flow effect on net income from operating activities (Note 3) ➤ Stock effect on net income (valuation for assets and liabilities denominated in the U.S. dollar) (Note 4) 	<p>-2.6 (+2.6)</p> <p>+1.6 (-2.6)</p>

(Note1) The sensitivities represent the impact on net income for the year ending March 31, 2014 against \$1 /bbl decrease (increase) of Brent crude oil price on annual average and ¥ 1 appreciation (depreciation) against the U.S. dollar. These are based on the financial situation at the beginning of the fiscal year (or, as of the announcement in May 2013). These are information purpose only and the actual impact may be subject to changes in production volumes, capital expenditures and cost recoveries, and may not be constant, depending on crude oil prices and exchange rates.

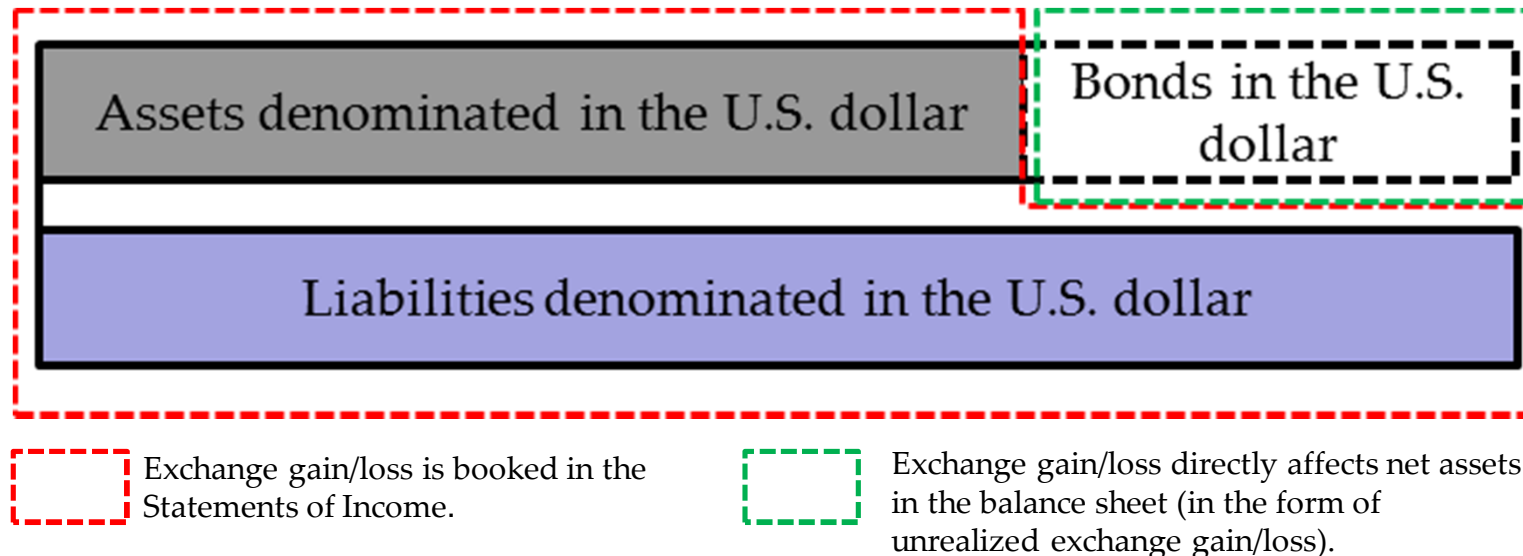
(Note2) This is a sensitivity on net income by fluctuation of crude oil price and is subject to the average price of crude oil (Brent) in the fiscal year.

(Note3) This is a sensitivity on net income from operating activities by fluctuation of the yen against the U.S. dollar and is subject to the average exchange rate in the fiscal year.

(Note4) This is the impact of foreign exchange differences for foreign currency-denominated assets and liabilities, and is affected by the difference between the exchange rate at the end of the fiscal year and the end of the previous fiscal year. In this fiscal year, as foreign currency-denominated debt is greater than foreign currency-denominated assets due to an increase in foreign currency debt, exchange valuation gains will occur when the yen is appreciated against foreign currency, while exchange valuation losses will occur when the yen becomes weaker against foreign currency. In addition, because of the impact of deferred tax accounting, the sensitivity is subject to change in the yen appreciation and depreciation phase against the U.S. dollar.

Net Income Sensitivities (2/2)

Details on valuation for assets and liabilities denominated in the U.S. dollar



The assets and liabilities denominated in the U.S. dollar are practically balanced as above.

Some portion of assets is bonds denominated in the U.S. dollar, and exchange gain/loss derived from the yen appreciation / depreciation against the U.S. dollar of such portion does not affect a Statement of Income, but net assets in the balance sheet (expressed in unrealized holding gain on securities) in the form of unrealized exchange gain/loss.

As redemption of these bonds denominated in the U.S. dollar is scheduled to be made within the next two years, profit or loss will be booked in a Statement of Income at the time of redemption. In addition, if such redeemed amounts are deposited in the form of U.S. dollar, assets and liabilities denominated in the U.S. dollar will be gradually balanced, from a view point of Statement of Income, and, accordingly, sensitivities on valuation for assets and liabilities denominated in the U.S. dollar is expected to be close to zero.

When sensitivities of valuation for assets and liabilities denominated in the U.S. dollar become zero, sensitivity of exchange rate will only drive from flow effect from operating activities.