

Support Material

Financial Results for the six months ended June 30, 2021

August 10, 2021



Cautionary Statement

INPEX

This presentation includes forward-looking information that reflects the plans 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 risks, 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 exploration, development and production

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

60 Consolidated Subsidiaries

Major Subsidiaries	Country / Region	Ownership	Phase	Accounting Term
INPEX Sahul, Ltd.	Timor-Leste	100%	Production	December
INPEX Ichthys Pty Ltd	Australia	100%	Production	December
INPEX Oil & Gas Australia Pty Ltd	Australia	100%	Production	December
INPEX Southwest Caspian Sea, Ltd.	Azerbaijan	51%	Production	December
INPEX North Caspian Sea, Ltd.	Kazakhstan	51%	Production	December
Japan Oil Development Co., Ltd.	UAE	100%	Production	December
JODCO Onshore Limited	UAE	51 %	Production	December
JODCO Lower Zakum Limited	UAE	100%	Production	December
INPEX Eagle Ford, LLC	United States	100%	Production	December

19 Equity Method Affiliates

Major Affiliates	Country / Region	Ownership	Phase	Accounting Term
Ichthys LNG Pty Ltd	Australia	66.245%	Production	December
MI Berau B.V.	Indonesia	44%	Production	December
Angola Block 14 B.V.	Angola	49.99%	Production	December

Highlights of the Consolidated Financial Results
for the six months ended June 30, 2021

	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Net sales (Billions of yen)	391.6	498.3	106.7	27.2%
Crude oil sales	246.3	375.3	129.0	52.4%
Natural gas sales (including LPG)	138.2	114.8	(23.4)	(16.9%)
Others	7.1	8.2	1.1	15.7%
Operating income (Billions of yen)	123.7	223.6	99.8	80.7%
Ordinary income (Billions of yen)	149.2	219.8	70.5	47.3%
Net income (loss) attributable to owners of parent (Billions of yen)	(120.7)	51.9	172.7	-
Net income (loss) per share* (Yen)	(82.73)	35.60	118.33	-

Average crude oil price (Brent) (\$/bbl)	42.10	65.23	23.13	54.9%
Average exchange rate (¥/\$)	108.25	107.82	0.43yen appreciation	0.4% appreciation

* Average number of INPEX shares issued and outstanding during the six months ended June 30, 2021: 1,460,205,381

	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Net sales (Billions of yen)	246.3	375.3	129.0	52.4%

Sales volume (thousand bbl)	60,894	55,454	(5,440)	(8.9%)
Average unit sales price of overseas production (\$/bbl)	37.27	62.71	25.44	68.3%
Average unit sales price of domestic production (¥/kl)	31,382	45,004	13,622	43.4%
Average exchange rate (¥/\$)	108.41	107.92	0.49yen appreciation	0.5% appreciation

Sales volume by region (thousand bbl)	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Japan	335 (53.2 thousand kl)	273 (43.5 thousand kl)	(61) (-9.8 thousand kl)	(18.3%)
Asia & Oceania	7,209	7,685	476	6.6%
Eurasia (Europe & NIS)	8,486	8,083	(403)	(4.8%)
Middle East & Africa	42,925	38,002	(4,923)	(11.5%)
Americas	1,940	1,411	(529)	(27.2%)
Total	60,894	55,454	(5,440)	(8.9%)

Natural Gas Sales (excluding LPG)

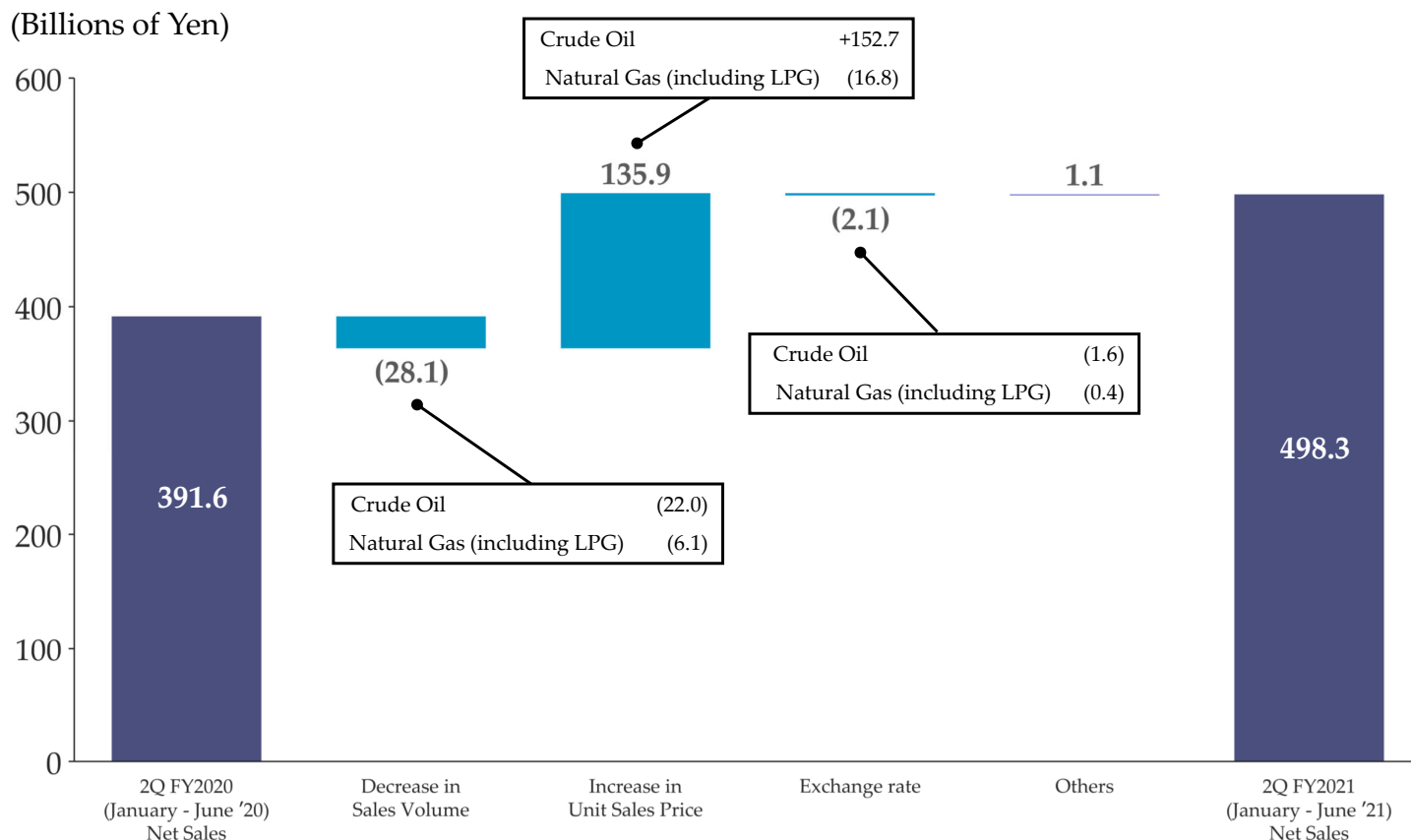
	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Net sales (Billions of yen)	136.7	113.3	(23.4)	(17.2%)

Sales volume (million cf)	222,856	203,293	(19,562)	(8.8%)
Average unit sales price of overseas production (\$/thousand cf)	4.17	3.84	(0.33)	(7.9%)
Average unit sales price of domestic sales (¥/m ³)	50.65	41.04	(9.61)	(19.0%)
Average exchange rate (¥/\$)	108.45	107.72	0.73yen appreciation	0.7% appreciation

Sales volume by region (million cf)	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Japan	39,826 (1,067million m ³ *)	42,663 (1,143million m ³ *)	2,837 (+76million m ³ *)	7.1%
Asia & Oceania	168,905	147,078	(21,827)	(12.9%)
Eurasia (Europe & NIS)	4,853	4,685	(168)	(3.5%)
Middle East & Africa	-	-	-	-
Americas	9,272	8,868	(405)	(4.4%)
Total	222,856	203,293	(19,562)	(8.8%)

* 1m³=41.8605MJ

(Billions of Yen)



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Statement of Income

(Billions of Yen)	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change	
Net sales	391.6	498.3	106.7	27.2%	Decrease in sales volume : (28.1) Increase in unit sales price : +135.9 Exchange rate: (2.1) Others : +1.1
Cost of sales	226.0	233.7	7.7	3.4%	
Gross profit	165.6	264.6	98.9	59.7%	
Exploration expenses	4.6	2.2	(2.4)	(51.4%)	
Selling, general and administrative expenses	37.1	38.6	1.4	4.0%	Cost of sales for Crude Oil: 159.2 (Change) +20.9 Cost of sales for Natural Gas*: 68.0 (Change) (13.8) * Including LPG
Operating income	123.7	223.6	99.8	80.7%	
Other income	45.3	36.7	(8.6)	(19.1%)	Main factors for change : Interest income +13.8 Equity in earnings of affiliates (30.7) Foreign exchange gain (3.7)
Other expenses	19.9	40.5	20.6	103.7%	
Ordinary income	149.2	219.8	70.5	47.3%	Main factors for change : Equity in losses of affiliates +12.9 Foreign exchange loss +10.6
Extraordinary loss (Impairment loss)	192.4	-	(192.4)	(100.0%)	
Total income taxes	78.2	176.0	97.7	124.9%	
Net income (loss) attributable to non-controlling interests	(0.6)	(8.1)	(7.5)	-	
Net income (loss) attributable to owners of parent	(120.7)	51.9	172.7	-	

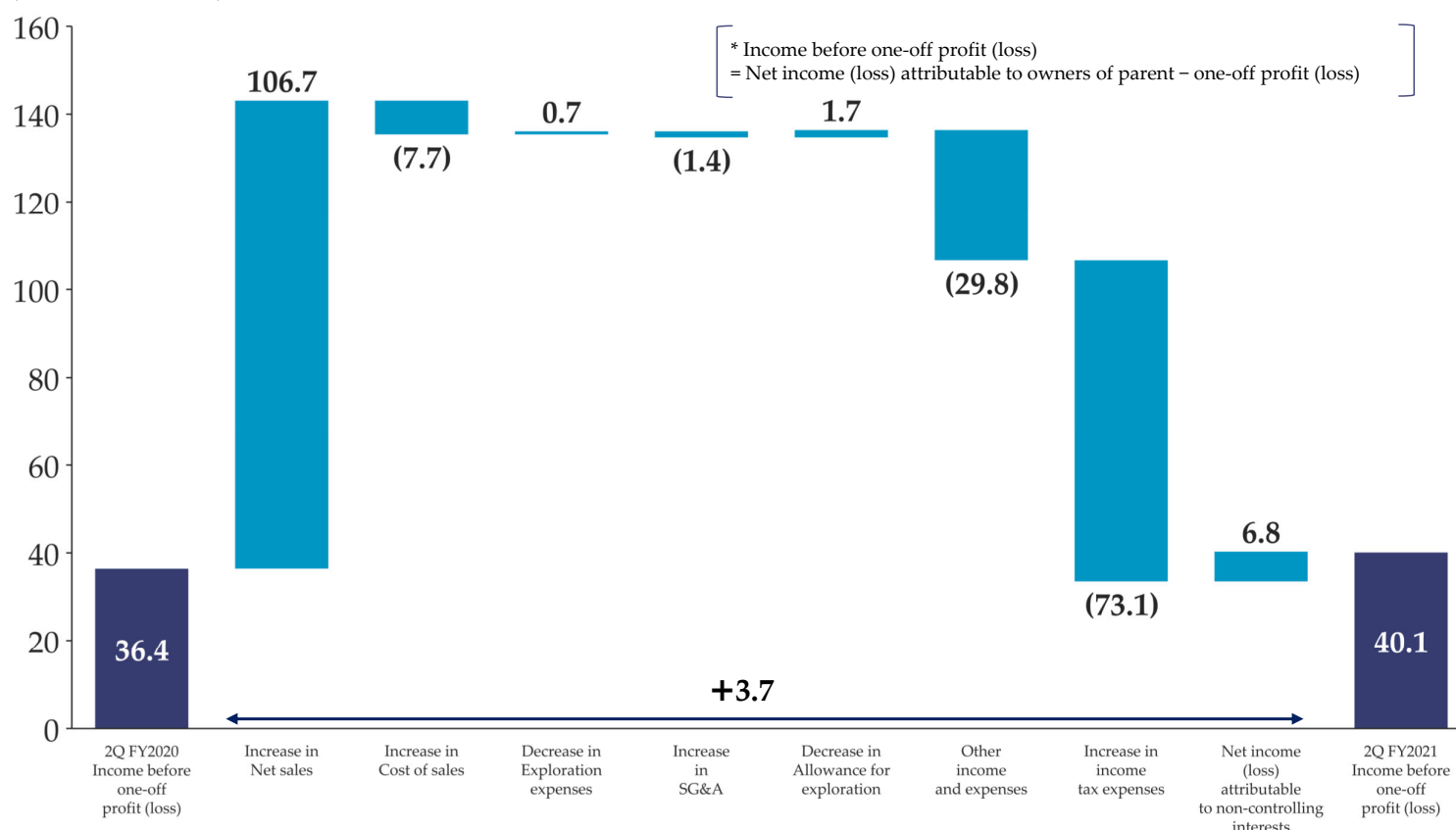
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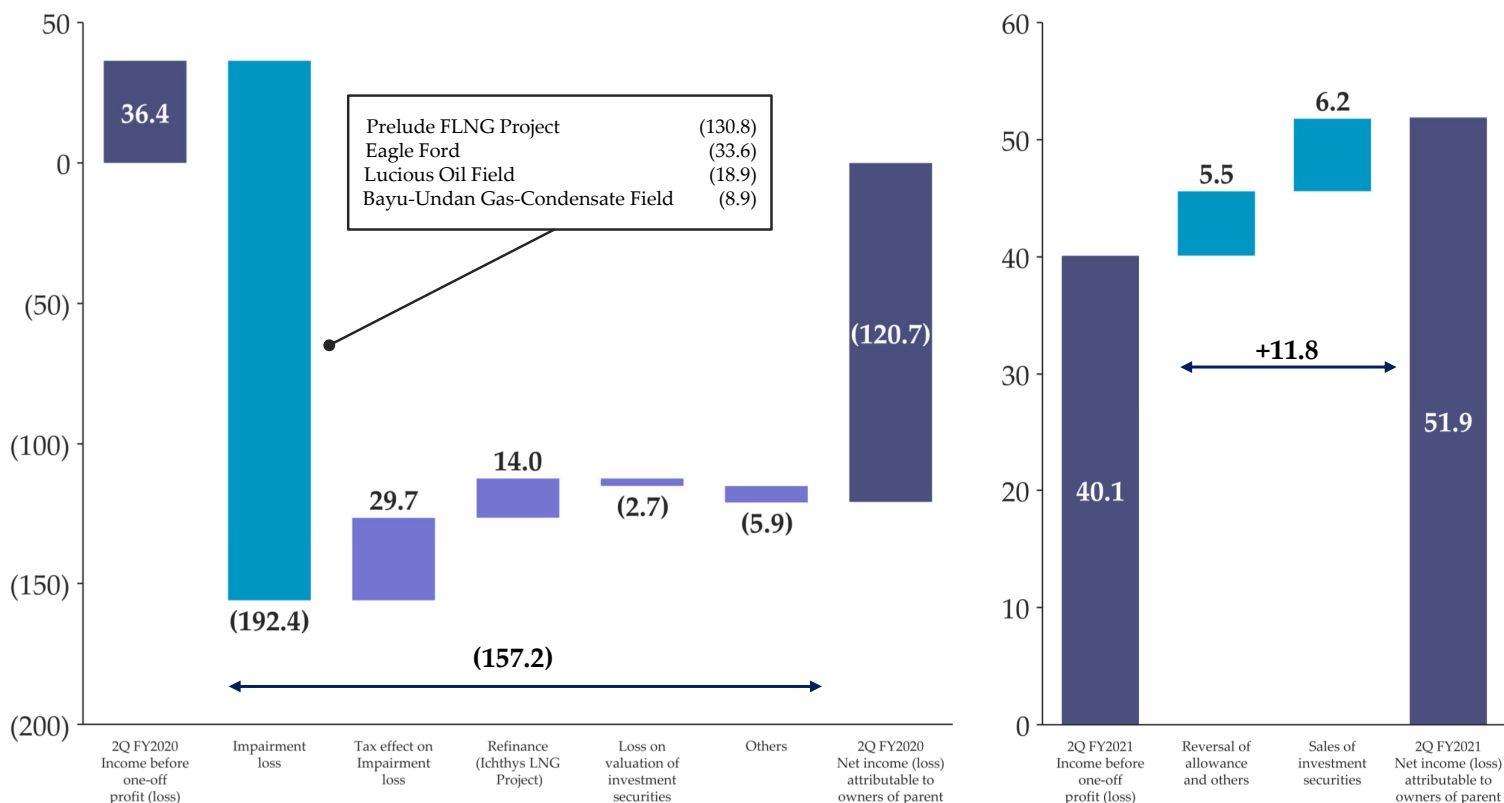
(Billions of Yen)	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)	Change	% Change
Other income	45.3	36.7	(8.6)	(19.1%)
Interest income	0.5	14.4	13.8	-
Dividend income	5.9	3.4	(2.4)	(41.2%)
Equity in earnings of affiliates	30.7	-	(30.7)	(100.0%)
Gain on reversal of allowance for recoverable accounts under production sharing	-	4.3	4.3	-
Foreign exchange gain	3.7	-	(3.7)	(100.0%)
Other	4.4	14.3	9.9	223.1%
Other expenses	19.9	40.5	20.6	103.7%
Interest expense	11.5	6.9	(4.5)	(39.6%)
Equity in losses of affiliates	-	12.9	12.9	-
Provision for allowance for recoverable accounts under production sharing	2.2	-	(2.2)	(100.0%)
Foreign exchange loss	-	10.6	10.6	-
Other	6.1	9.9	3.7	61.7%

2Q FY2021 Analysis of Income before One-off Profit (Loss) Increase

(Billions of Yen)



(Billions of Yen)



Balance Sheet

(Billions of yen)	December 2020	June 2021	Change	% Change
Current assets	387.0	423.8	36.7	9.5%
Tangible fixed assets	2,069.7	2,185.0	115.2	5.6%
Intangible assets	441.8	449.3	7.5	1.7%
Recoverable accounts under production sharing	575.5	561.4	(14.1)	(2.5%)
Other	1,229.7	1,317.0	87.3	7.1%
Less allowance for recoverable accounts under production sharing	(69.4)	(65.0)	4.3	(6.3%)
Total assets	4,634.5	4,871.6	237.1	5.1%
Current liabilities	339.2	278.0	(61.2)	(18.1%)
Long-term liabilities	1,293.8	1,402.8	108.9	8.4%
Total net assets	3,001.3	3,190.7	189.3	6.3%
(Non-controlling interests)	264.7	261.8	(2.9)	(1.1%)
Total liabilities and net assets	4,634.5	4,871.6	237.1	5.1%
Net assets per share (Yen)	1,874.08	2,005.80	131.72	7.0%

Summary of financial information for Ichthys downstream JV (100% basis - the Company equity share is 66.245%) (Billions of yen)

- Current assets : 128.0
- Fixed assets : 3,640.8
- Total assets: 3,768.9

*Fixed Assets include interest expenses for qualified assets under the accounting standards as well as investments before FID.

The total of long-term loans and short-term loans is 1.1 trillion yen.

Adding the off-balanced net loans of Ichthys downstream JV brings the total of INPEX net loans to be 2.1 trillion yen (as of June 2021).

(Billions of yen)

Total shareholders' equity: +34.8
Accumulated other comprehensive income : +157.4

- Unrealized gain (loss) from hedging instruments: +14.6
- Translation adjustments: +142.4

(Billions of Yen)	2Q FY2020 (January - June '20)	2Q FY2021 (January - June '21)
Income (loss) before income taxes	(43.1)	219.8
Depreciation and amortization	88.8	77.2
Impairment loss	192.4	-
Recovery of recoverable accounts under production sharing (capital expenditures)	14.8	28.2
Recoverable accounts under production sharing (operating expenditures)	(1.2)	(0.6)
Income taxes paid	(121.4)	(127.8)
Other	43.2	(18.3)
Net cash provided by (used in) operating activities	173.5	178.6
Payments for time deposits / Proceeds from time deposits	(54.1)	-
Payments for purchases of tangible fixed assets	(68.2)	(63.5)
Payments for purchases of marketable securities/investment securities and proceeds from sales of marketable securities/investment securities	0.8	16.0
Investment in recoverable accounts under production sharing (capital expenditures)	(18.9)	(13.6)
Long-term loans made / Collection of long-term loans receivable	(25.4)	(1.9)
Payments for acquisitions of participating interests	-	(1.4)
Other	(1.9)	(1.2)
Net cash provided by (used in) investing activities	(167.7)	(65.8)
Net cash provided by (used in) financing activities	124.0	(125.4)
Cash and cash equivalents at end of the period	303.1	171.3

Differences between Consolidated Financial Forecasts and Actual Results for the six months ended June 30, 2021

Assumptions

(May 13, 2021)	1 st half (Previous Forecasts)
Crude oil price (Brent) (US\$/bbl)	60.7
Exchange rate (yen/US\$)	107.1



(August 10, 2021)	1 st half (Actual Results)
Crude oil price (Brent) (US\$/bbl)	65.2
Exchange rate (yen/US\$)	107.8

Differences between Consolidated Financial Forecasts and Actual Results for the six months ended June 30, 2021

	Previous Forecasts (May 13, 2021)	Actual Results	Change	% Change
Net Sales (billions of yen)	484.0	498.3	14.3	3.0%
Operating income (billions of yen)	206.0	223.6	17.6	8.5%
Ordinary income (billions of yen)	201.0	219.8	18.8	9.4%
Net income attributable to owners of parent (billions of yen)	45.0	51.9	6.9	15.3%

■ Assumptions

(May 13, 2021)	1 st half (Jan-Jun)	2 nd half (Jul-Dec)	Full year
Crude oil price (Brent) (US\$/bbl)	60.7	60.0	60.3
Exchange rate (yen/US\$)	107.1	108.0	107.5



(August 10, 2021)	1 st half (Jan-Jun)	2 nd half (Jul-Dec)	Full year
Crude oil price (Brent) (US\$/bbl)	65.2	65.0	65.1
Exchange rate (yen/US\$)	107.8	110.0	108.9

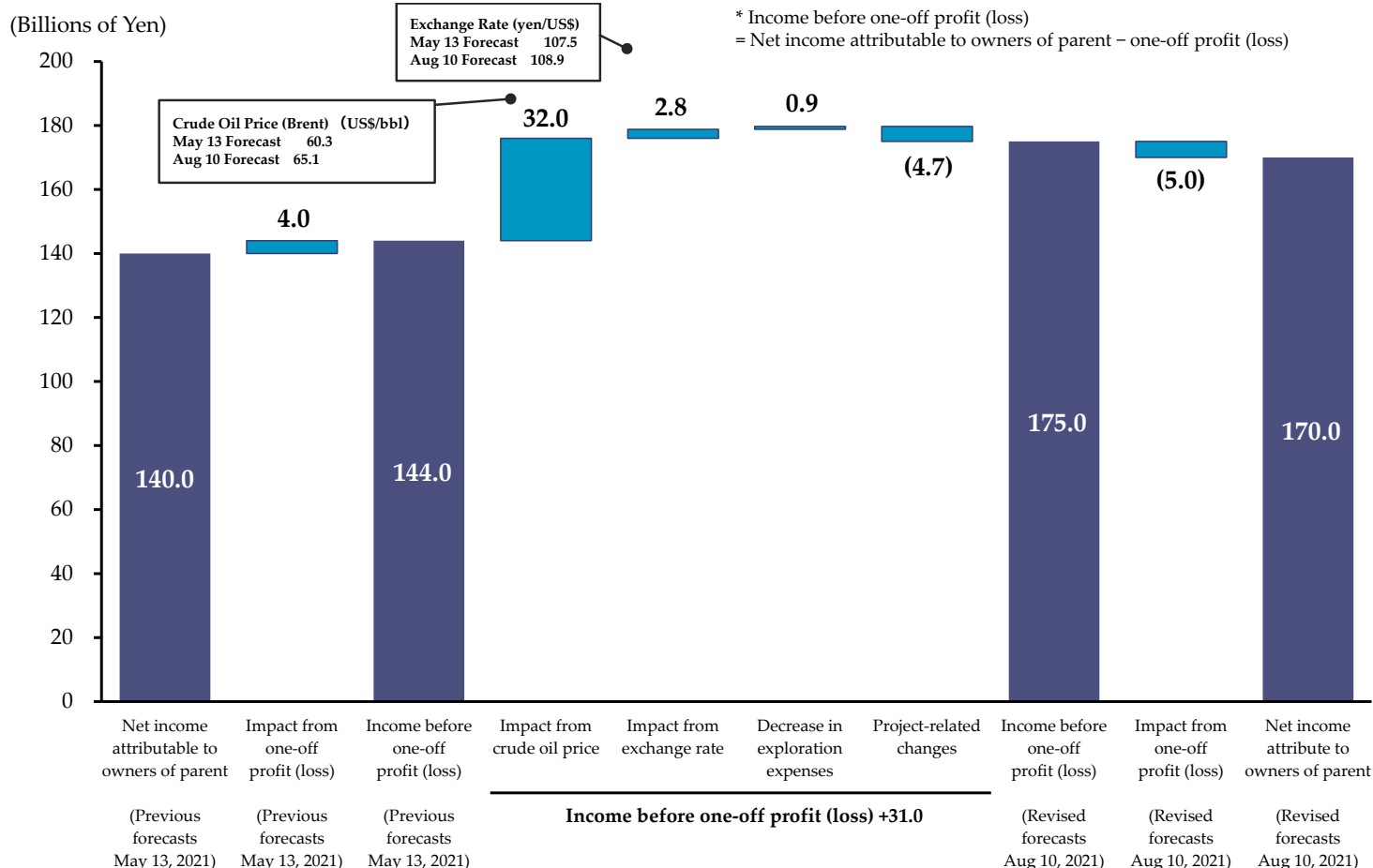
■ Financial Forecasts for the year ending December 31, 2021

	Previous forecasts (May 13, 2021)	Revised forecasts (August 10, 2021)	Change	% Change
Net sales (billions of yen)	1,055.0	1,134.0	79.0	7.5%
Operating income (billions of yen)	452.0	513.0	61.0	13.5%
Ordinary income (billions of yen)	483.0	545.0	62.0	12.8%
Net income attributable to owners of parent (billions of yen)	140.0	170.0	30.0	21.4%

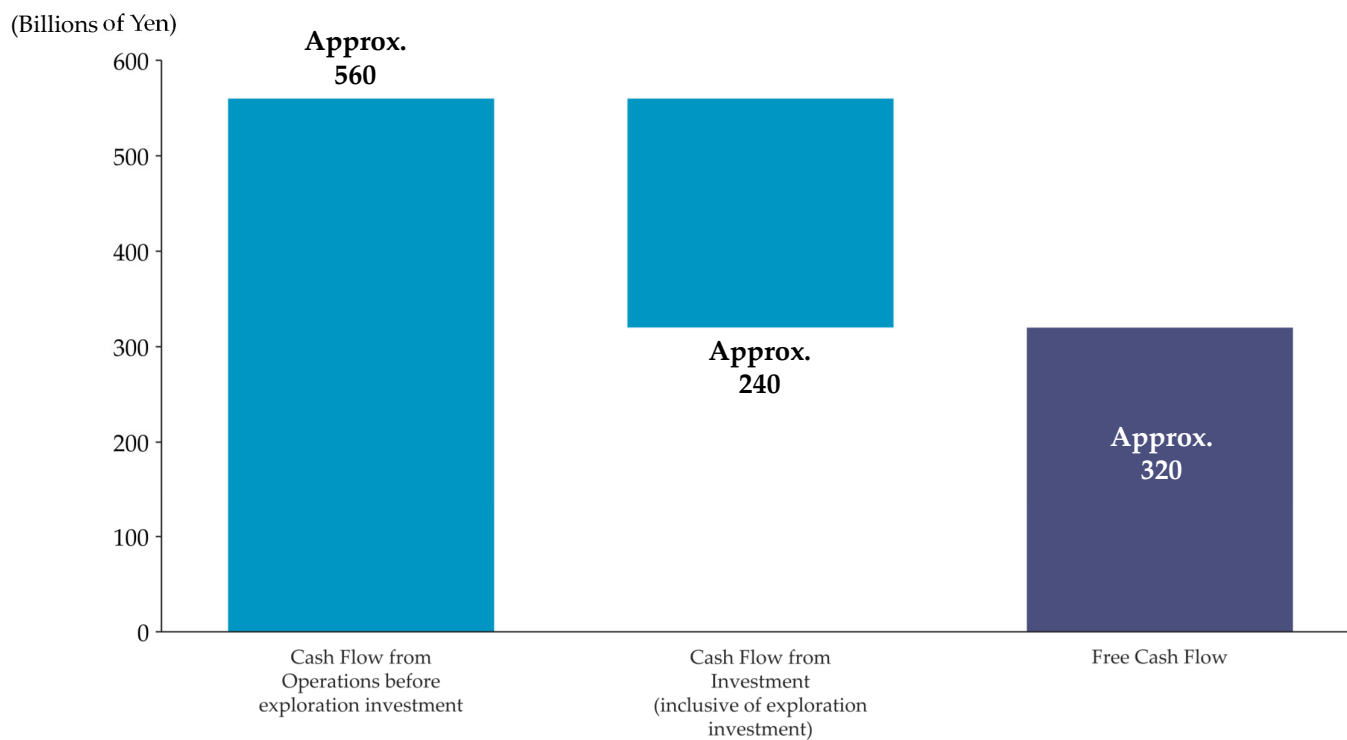
■ Dividend per share

End of 2Q	End of fiscal year (forecast)	Full year (forecast)
¥20.00	¥20.00	¥40.00

FY2021 Financial Forecasts
Analysis of Net Income



➤ Approximately ¥320 billion in free cash flow* forecasted for FY2021.



* Including the Ichthys Downstream IJV (Incorporated Joint Venture)