



Public Relations Group, Corporate Communications Unit
Akasaka Biz Tower, 5-3-1 Akasaka, Minato-ku, Tokyo 107-6332 JAPAN

September 14, 2017

**INPEX, Partners to Extend Production Sharing Agreement for ACG Oil Fields
in Caspian Sea, Republic of Azerbaijan**

TOKYO, JAPAN - [INPEX CORPORATION](#) (INPEX) announced today that it and its partners have entered into an agreement with the State Oil Company of the Azerbaijan Republic (SOCAR) to extend the duration of the Production Sharing Agreement (PSA) for the Azeri-Chirag-Deepwater Gunashli (ACG) oil fields in the Caspian Sea sector of the Republic of Azerbaijan by 25 years until December 31, 2049. Through its subsidiary, INPEX Southwest Caspian Sea, Ltd., INPEX holds a participating interest in the ACG oil fields where it is currently engaged in the development and production of crude oil.

The agreement is subject to ratification by the Parliament of the Republic of Azerbaijan.

As part of the agreement, all shareholders in the ACG oil fields with the exception of SOCAR will transfer an equal proportion of their participating interests to SOCAR. As a result, INPEX's participating interest in the ACG oil fields will decrease from 10.96% to 9.31%. However, INPEX expects its future production volume and reserves associated with the ACG oil fields to increase as a result of the 25-year PSA extension.

While the impact of this matter on the company's consolidated financial results is minimal, a certain amount of growth in earnings is expected after the next fiscal year (ending March 2019) due to the revision of the terms and conditions of the PSA in conjunction with its extension.

The ACG oil fields are located in the Caspian Sea approximately 100 kilometers east of Baku, the capital of the Republic of Azerbaijan. The ACG oil fields currently produce crude oil at a rate of approximately 585,000 barrels per day (average rate for first half of 2017) from three oil fields (Azeri Oil Field, Chirag Oil Field and Deepwater Gunashli Oil Field). Crude oil produced at the ACG oil fields is transported through the Baku-Tbilisi-Ceyhan pipeline (BTC pipeline) to Ceyhan on the Mediterranean coast of the Republic of Turkey, from where it is shipped to customers.

Going forward, INPEX will continue to enhance project value including maintaining and increasing its production and reserves at the ACG oil fields.

The agreement is expected to contribute not only to the stable and long-term energy supply of Japan but also to the realization of INPEX's pursuit of the continuous enhancement of E&P activities, which is positioned as one of three growth targets outlined in the company's "Medium- to Long-Term Vision."

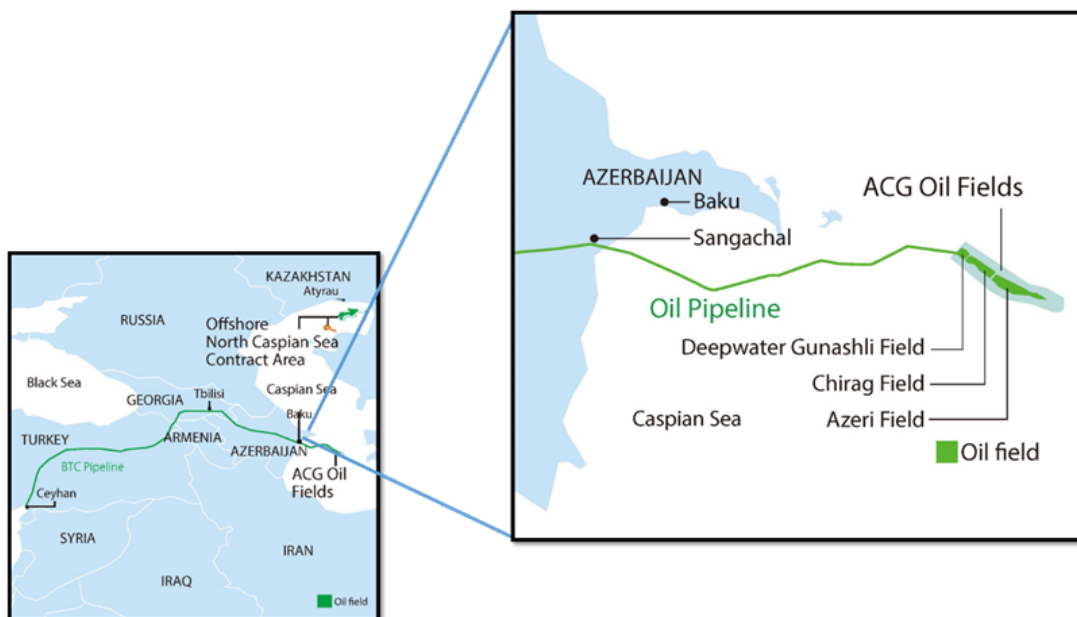
About INPEX

INPEX CORPORATION is Japan's largest exploration and production (E&P) company, and a mid-tier E&P player just behind the world's oil majors. INPEX is currently involved in approximately 70 projects across more than 20 countries, including the Ichthys LNG Project in Australia as Operator. Through sustainably growing its oil and gas development business, INPEX aims to become a top class international oil and gas E&P Company and continue providing a stable and efficient supply of energy to its customers. For more information, visit www.inpex.co.jp/english/index.html.

Media Contact: INPEX Tokyo Office, Public Relations Group, Tel) +81-3-5572-0233

REFERENCE

< Location of the ACG Oil Fields project >



<Details of the ACG Oil Fields project>

Title	ACG oil fields																		
Location	Approximately 100 kilometers east of Baku																		
Surface area	432.4km ²																		
Water depth range	100~400 meters																		
Production rate	585,000 barrels per day (average for first half of 2017)																		
Contract expiration	December 31, 2049																		
Shareholders and shareholding ratio	<p>< Shareholders and shareholding ratio after the extension></p> <table> <tr> <td>BP (Operator):</td> <td>30.37% (35.78%)</td> </tr> <tr> <td>SOCAR:</td> <td>25.00% (11.65%)</td> </tr> <tr> <td>Chevron:</td> <td>9.57% (11.27%)</td> </tr> <tr> <td>INPEX Southwest Caspian Sea, Ltd.:</td> <td>9.31% (10.96%)</td> </tr> <tr> <td>Statoil:</td> <td>7.23% (8.56%)</td> </tr> <tr> <td>ExxonMobil:</td> <td>6.79% (8.00%)</td> </tr> <tr> <td>TPAO:</td> <td>5.73% (6.75%)</td> </tr> <tr> <td>Itochu:</td> <td>3.65% (4.30%)</td> </tr> <tr> <td>ONGC:</td> <td>2.31% (2.72%)</td> </tr> </table> <p>※The ratios in parentheses indicate participating interests of shareholders under the current PSA.</p>	BP (Operator):	30.37% (35.78%)	SOCAR:	25.00% (11.65%)	Chevron:	9.57% (11.27%)	INPEX Southwest Caspian Sea, Ltd.:	9.31% (10.96%)	Statoil:	7.23% (8.56%)	ExxonMobil:	6.79% (8.00%)	TPAO:	5.73% (6.75%)	Itochu:	3.65% (4.30%)	ONGC:	2.31% (2.72%)
BP (Operator):	30.37% (35.78%)																		
SOCAR:	25.00% (11.65%)																		
Chevron:	9.57% (11.27%)																		
INPEX Southwest Caspian Sea, Ltd.:	9.31% (10.96%)																		
Statoil:	7.23% (8.56%)																		
ExxonMobil:	6.79% (8.00%)																		
TPAO:	5.73% (6.75%)																		
Itochu:	3.65% (4.30%)																		
ONGC:	2.31% (2.72%)																		