

October 10, 2017

INPEX Commences Commercial Operations of Second Unit of Sarulla Geothermal Independent Power Producer Project in Indonesia

Tokyo, Japan - [INPEX CORPORATION](http://www.inpex.co.jp/english/news/pdf/2017/e20170322_a.pdf) (INPEX) announced today that through its subsidiary INPEX Geothermal Sarulla, Ltd., it commenced commercial operations of the second unit of the Sarulla Geothermal Independent Power Producer (IPP) Project (the Project), the world's largest single-contract geothermal power project located in North Sumatra Province, Indonesia. The sales of power generated from the Project's first unit have already begun.*

With the commencement of commercial operations of the second unit, the Project's total output generated by the first and second units will amount to approximately 220MW. The Project's total power generation volume, which will be approximately 330MW, will sustain 2.1 million households in Indonesia.

*For more information on the commercial operations of the first unit of the Project, see March 22, 2017 press release (http://www.inpex.co.jp/english/news/pdf/2017/e20170322_a.pdf)



The second unit of Sarulla Geothermal IPP project

Construction of the geothermal power plant, which will have a combined output of approximately 330MW, began in 2014 and the first unit with a capacity of approximately 110MW commenced commercial operations in March 2017. Subsequently, the project partners moved ahead with construction work etc., on the second and third units aimed at the commencement of commercial operations in sequence, resulting in the commercial startup of the second unit at this time. As with the first unit, power generated from the second unit is scheduled to be sold to Perusahaan Listrik Negara, Indonesia's government-owned electricity company for a period of 30 years. The new supply of electricity generated from this project is expected to contribute to the economic development of Indonesia, where demand for electricity is growing.

The subsidiaries of INPEX, ITOCHU Corporation, Kyushu Electric Power Co., Inc. of Japan, PT Medco Power of Indonesia and Ormat Technologies of the US as well as Sarulla Operations Ltd., the operating company for the Project jointly established by these subsidiaries, will continue to work toward commencing commercial operations of the third unit in 2018.

As an integrated energy company contributing to society, INPEX will continue to proactively pursue the "reinforcement of its renewable energy initiatives," which is one of the growth targets outlined in the company's [Medium- to Long-term Vision](#).

The impact of this matter on the company's consolidated financial results is expected to be minimal.

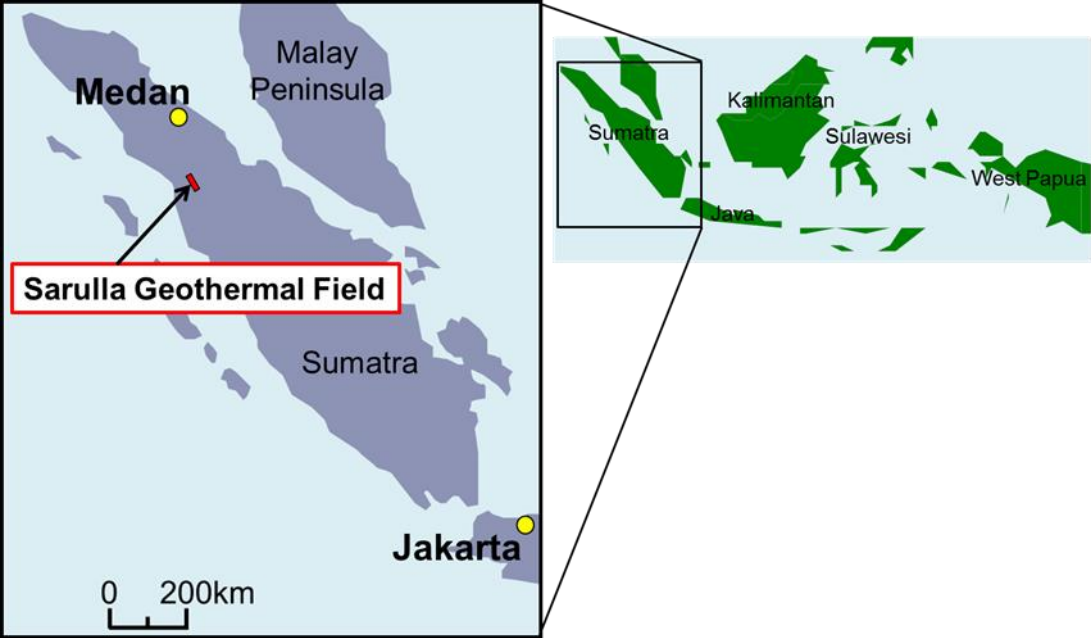
About INPEX

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.

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REFERENCE

Location of the Sarulla Geothermal Independent Power Producer Project



About the Project

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| Title | Sarulla Geothermal Independent Power Producer (IPP) Project | |
| Location | Sarulla, North Sumatra, Republic of Indonesia | |
| Expected total output | Approximately 330MW (3 units) | |
| Operating company | Sarulla Operations Ltd. | |
| Shareholders of operating company | Kyushu Electric Power Co., Ltd. | 25% |
| | ITOCHU Corporation | 25% |
| | PT Medco Power Indonesia | 18.9975% |
| | INPEX CORPORATION | 18.2525% |
| | Ormat Technologies, Inc. | 12.75% |