



Consolidated Financial Results for the Three Months ended March 31, 2024 [IFRS]

May 14, 2024

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

Company name : **INPEX CORPORATION** Stock Exchange on which the Company is listed : Tokyo Stock Exchange
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Scheduled date of payment of cash dividends : –

Preparation of supplementary explanatory materials : Yes

Meeting of quarterly financial results presentation : None

(Amounts less than one million yen are rounded off)

1. Consolidated Financial Results for the Three Months ended March 31, 2024 (January 1, 2024 through March 31, 2024)

(1) Consolidated operating results

(Figures in % represent the changes from the corresponding period of the previous fiscal year)

	Revenue		Operating profit		Profit before tax		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the three months ended								
March 31, 2024	596,800	3.3	380,102	1.4	372,923	(1.1)	123,583	(19.6)
March 31, 2023	578,007	–	374,788	–	377,239	–	153,770	–

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
For the three months ended						
March 31, 2024	121,829	(17.0)	420,685	133.9	96.82	96.76
March 31, 2023	146,799	–	179,835	–	112.40	112.33

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of March 31, 2024	7,301,250	4,867,283	4,566,368	62.5
As of December 31, 2023	6,739,476	4,499,033	4,209,101	62.5

2. Dividends

	Cash dividends per share				
	At 1st quarter end	At 2nd quarter end	At 3rd quarter end	At fiscal year end	Total
	Yen	Yen	Yen	Yen	Yen
For the year ended December 31, 2023	–	37.00	–	37.00	74.00
For the year ending December 31, 2024	–				
For the year ending December 31, 2024 (Forecasts)		38.00	–	38.00	76.00

(Notes): 1. Changes in projected dividends for the year ending December 31, 2024 from the previous forecast: None

2. “Dividends” as stated above refer to common stock. For information regarding Class A stock (not listed), please refer to Exhibit “Dividends of Class A stock.”

3. Forecasts for Consolidated Financial Results for the year ending December 31, 2024 (January 1, 2024 through December 31, 2024)

(Figures in % represent the changes from the corresponding period of the previous fiscal year)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
For the six months ending June 30, 2024	1,150,000	6.6	666,000	9.7	678,000	(4.4)	205,000	(17.5)	162.92
For the year ending December 31, 2024	2,178,000	0.6	1,210,000	8.6	1,241,000	(1.0)	360,000	11.9	286.11

(Note): Changes in forecasts for consolidated financial results for the year ending December 31, 2024 from the previous forecast: Yes

*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) Changes in accounting policies, changes in accounting estimates, and restatement

1. Changes in accounting policies required by IFRS : None
2. Other changes in accounting policies : None
3. Changes in accounting estimates : None

(3) Number of shares issued (Common stock)

1. Number of shares issued at the end of the period : 1,259,136,067 shares as of March 31, 2024
(including treasury stock): 1,386,667,167 shares as of December 31, 2023
2. Number of treasury stock at the end of the period: 875,276 shares as of March 31, 2024
128,422,706 shares as of December 31, 2023
3. Average number of shares: 1,258,249,977 shares for the three months ended March 31, 2024
1,305,995,701 shares for the three months ended March 31, 2023

(Note): The shares held by “the Board Incentive Plan Trust” are included in number of treasury stock at the end of the period.

(As of March 31, 2024: 875,230 shares As of December 31, 2023: 891,560 shares)

*This quarterly earnings report is not subject to audit by certified public accountants or audit firms.

*Explanation regarding the appropriate use of estimated consolidated financial results

The aforementioned forecasts “3. Forecasts for Consolidated Financial Results for the year ending December 31, 2024” are based on the currently available information and contain many uncertainties. The final results might be significantly different from the 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. Regarding the forecasts, please refer to “1. Qualitative Information/Financial Statements (4) Explanation Regarding Future Forecast Information Such as Forecasts for Consolidated Financial Results” on page 4.

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
	Yen	Yen	Yen	Yen	Yen
For the year ended December 31, 2023	–	14,800.00	–	14,800.00	29,600.00
For the year ending December 31, 2024	–				
For the year ending December 31, 2024 (Forecasts)		15,200.00	–	15,200.00	30,400.00

(Note): The Company conducted a stock split at a ratio of 1:400 of common stock effective October 1, 2013. However, for Class A stock (not listed), no stock split was implemented. The article specifying that dividends of Class A stock are equivalent to dividends of common stock prior to the stock split is included in the Articles of Incorporation.

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1. Qualitative Information/Financial Statements

(1) Explanation on Consolidated Financial Results

Regarding the Company's consolidated financial results for the three months ended March 31, 2024, revenue increased by ¥18.7 billion, or 3.3%, to ¥596.8 billion from the corresponding period of the previous fiscal year due to the depreciation in the average exchange rate of the Japanese yen against the U.S. dollar during the period. Revenue of crude oil increased by ¥50.8 billion, or 12.7%, to ¥450.1 billion, and revenue of natural gas decreased by ¥32.5 billion, or 18.7%, to ¥141.1 billion. Sales volume of crude oil increased by 661 thousand barrels, or 1.8%, to 37,338 thousand barrels, and sales volume of natural gas increased by 2,735 million cf, or 2.1%, to 130,976 million cf. Sales volume of overseas natural gas increased by 1,847 million cf, or 1.8%, to 103,979 million cf, and sales volume of domestic natural gas increased by 24 million m³, or 3.4%, to 721 million m³ (26,898 million cf). The average sales price of overseas crude oil decreased by US\$1.08, or 1.3%, to US\$81.12 per barrel. The average sales price of overseas natural gas decreased by US\$1.37, or 20.4%, to US\$5.36 per thousand cf, and the average sales price of domestic natural gas decreased by ¥33.60, or 30.4%, to ¥77.07 per m³. The average exchange rate of the Japanese yen against the U.S. dollar on consolidated revenue depreciated by ¥16.13, or 12.2%, to ¥148.61 per U.S. dollar.

The increase of ¥18.7 billion in revenue was mainly derived from the following factors: regarding revenue of crude oil and natural gas, an increase in sales volume contributing ¥12.1 billion to the increase, a decrease in unit sales price contributing ¥52.2 billion to the decrease, the depreciation in the average exchange rate of the Japanese yen against the U.S. dollar contributing ¥58.4 billion to the increase, and an increase in revenue excluding crude oil and natural gas of ¥0.4 billion.

Meanwhile, cost of sales increased by ¥10.5 billion, or 4.6%, to ¥238.5 billion. Exploration expenses increased by ¥2.7 billion, or 143.0%, to ¥4.7 billion. Selling, general and administrative expenses increased by ¥6.2 billion, or 24.0%, to ¥32.3 billion. Other operating income increased by ¥0.9 billion, or 8.1%, to ¥12.1 billion. Other operating expenses decreased by ¥4.1 billion, or 52.1%, to ¥3.7 billion. Share of profit of investments accounted for using equity method increased by ¥1.0 billion, or 2.2%, to ¥50.4 billion. As a result, operating profit increased by ¥5.3 billion, or 1.4%, to ¥380.1 billion.

Finance income increased by ¥12.4 billion, or 57.2%, to ¥34.1 billion. Finance costs increased by ¥22.0 billion, or 114.5%, to ¥41.3 billion. As a result, profit before tax decreased by ¥4.3 billion, or 1.1%, to ¥372.9 billion.

Income tax expense increased by ¥25.8 billion, or 11.6%, to ¥249.3 billion. Profit attributable to non-controlling interests decreased by ¥5.2 billion, or 74.8%, to ¥1.7 billion. As a result of the above effects, profit attributable to owners of parent decreased by ¥24.9 billion, or 17.0%, to ¥121.8 billion.

Operating results by segment are as follows:

1) Oil & Gas Japan

Revenue decreased by ¥21.8 billion, or 27.3%, to ¥58.1 billion due to a decrease in sales price of natural gas. Profit attributable to owners of parent decreased by ¥11.0 billion, or 64.8%, to ¥6.0 billion.

2) Oil & Gas Overseas - Ichthys Project

Revenue increased by ¥4.2 billion, or 4.3%, to ¥103.3 billion due to an increase in sales volume of crude oil and the depreciation of the Japanese yen against the U.S. dollar. Profit attributable to owners of parent decreased by ¥1.7 billion, or 1.9%, to ¥90.8 billion.

3) Oil & Gas Overseas - Other Projects

Although revenue increased by ¥36.6 billion, or 9.4%, to ¥427.0 billion due to an increase in sales volume of crude oil and the depreciation of the Japanese yen against the U.S. dollar, profit attributable to owners of parent decreased by ¥2.7 billion, or 9.7%, to ¥25.5 billion due to factors including an increase in income tax expense.

(2) Explanation on Consolidated Financial Position

Total assets as of March 31, 2024 increased by ¥561.7 billion to ¥7,301.2 billion, compared to December 31, 2023. Current assets increased by ¥108.9 billion to ¥947.3 billion due to an increase in trade and other receivables, and others. Non-current assets increased by ¥452.8 billion to ¥6,353.8 billion due to an increase in oil and gas assets, and others.

Meanwhile, total liabilities increased by ¥193.5 billion to ¥2,433.9 billion. Current liabilities increased by ¥143.7 billion to ¥715.9 billion and non-current liabilities increased by ¥49.8 billion to ¥1,718.0 billion.

Total equity increased by ¥368.2 billion to ¥4,867.2 billion. Equity attributable to owners of parent increased by ¥357.2 billion to ¥4,566.3 billion. Non-controlling interests increased by ¥10.9 billion to ¥300.9 billion.

(3) Explanation on Cash Flows

The Group's cash and cash equivalents as of March 31, 2024 totaled ¥227.3 billion, reflecting a net increase of ¥17.7 billion from ¥201.1 billion as of December 31, 2023, with the effect of exchange rate changes of ¥8.3 billion added to it.

The status of cash flows from operating, investing, and financing activities and their factors during the three months ended March 31, 2024 are as follows:

1) Cash flows from operating activities

Net cash provided by operating activities amounted to ¥140.2 billion, down ¥94.5 billion from the corresponding period of the previous fiscal year, mainly due to an increase in trade and other receivables and an increase in income taxes paid (despite an increase in trade and other payables, and an increase in depreciation and amortization that are non-cash items).

2) Cash flows from investing activities

Net cash used in investing activities amounted to ¥123.4 billion, down ¥31.7 billion from the corresponding period of the previous fiscal year, mainly due to a decrease in payments for purchases of investments and an increase in proceeds from sale and redemption of investments.

3) Cash flows from financing activities

Net cash provided by financing activities amounted to ¥1.0 billion compared with ¥102.5 billion of net cash used in the corresponding period of the previous fiscal year. This was mainly due to a net increase in commercial papers and a decrease in repayments of long-term borrowings.

(4) Explanation Regarding Future Forecast Information Such as Forecasts for Consolidated Financial Results

The Company revised its consolidated financial forecasts for the six months ending June 30, 2024 and the fiscal year ending December 31, 2024 due to factors including higher-than-expected crude oil prices and the depreciation of the Japanese yen against the U.S. dollar in the three months ended March 31, 2024 as stable operations were carried out at the company's key projects including Ichthys LNG. The revised forecasts also reflect the revision of crude oil price and exchange rate assumptions for the second quarter onwards.

1. Forecasts for consolidated financial results for the six months ending June 30, 2024

(Millions of yen)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent
Previous Forecasts: A	1,043,000	544,000	559,000	155,000
Revised Forecasts: B	1,150,000	666,000	678,000	205,000
Increase (Decrease): B-A	107,000	122,000	119,000	50,000
Percentage change (%)	10.3	22.4	21.3	32.3

2. Forecasts for consolidated financial results for the year ending December 31, 2024

(Millions of yen)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent
Previous Forecasts: A	1,931,000	1,010,000	1,043,000	330,000
Revised Forecasts: B	2,178,000	1,210,000	1,241,000	360,000
Increase (Decrease): B-A	247,000	200,000	198,000	30,000
Percentage change (%)	12.8	19.8	19.0	9.1

The above forecasts are calculated based on the following assumptions:

	Previous Forecasts	Revised Forecasts
Crude oil price (Brent)	First Half average: US\$75.5/bbl	First Half average: US\$82.5/bbl
	Second Half average: US\$70.5/bbl	Second Half average: US\$77.5/bbl
	- 3rd quarter average: US\$73.0/bbl	- 3rd quarter average: US\$78.7/bbl
	- 4th quarter average: US\$68.0/bbl	- 4th quarter average: US\$76.2/bbl
	Full Year average: US\$73.0/bbl	Full Year average: US\$80.0/bbl
Exchange rate	First Half average: ¥138.0/US\$	First Half average: ¥148.0/US\$
	Second Half average: ¥138.0/US\$	Second Half average: ¥142.0/US\$
	Full Year average: ¥138.0/US\$	Full Year average: ¥145.0/US\$

Crude oil prices at which the Company sells products vary depending on crude oil type and differ from Brent crude oil prices.

Crude oil price differences are determined by the quality of each crude oil type, etc., and are also affected by market conditions.

2. Condensed Quarterly Consolidated Financial Statements and Principal Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

Accounts	As of December 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and cash equivalents	201,149	227,314
Trade and other receivables	232,017	304,865
Inventories	69,856	80,101
Income taxes receivable	10,640	10,466
Loans receivable	42,350	44,259
Other financial assets	227,068	221,229
Other current assets	37,992	41,775
Subtotal	821,075	930,012
Assets held for sale	17,341	17,341
Total current assets	838,417	947,353
Non-current assets		
Oil and gas assets	3,601,558	3,824,861
Other property, plant and equipment	25,481	25,071
Goodwill	20,471	20,515
Intangible assets	9,033	9,179
Investments accounted for using equity method	751,903	858,784
Loans receivable	1,306,529	1,419,446
Other financial assets	95,890	113,215
Asset for retirement benefits	896	1,227
Deferred tax assets	72,977	64,418
Other non-current assets	16,316	17,176
Total non-current assets	5,901,058	6,353,897
Total assets	6,739,476	7,301,250

(Millions of yen)

Accounts	As of December 31, 2023	As of March 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	207,913	237,037
Bonds and borrowings	161,059	238,533
Other financial liabilities	40,808	62,161
Income taxes payable	131,721	145,395
Asset retirement obligations	19,018	19,117
Other current liabilities	11,690	13,668
Total current liabilities	572,212	715,914
Non-current liabilities		
Bonds and borrowings	895,923	924,502
Other financial liabilities	66,025	73,233
Liability for retirement benefits	803	813
Asset retirement obligations	369,483	375,238
Deferred tax liabilities	332,940	341,536
Other non-current liabilities	3,054	2,726
Total non-current liabilities	1,668,230	1,718,053
Total liabilities	2,240,442	2,433,967
Equity		
Common stock	290,809	290,809
Capital surplus	679,131	459,652
Retained earnings	2,746,530	2,821,771
Treasury stock	(221,330)	(1,305)
Other components of equity	713,959	995,440
Total equity attributable to owners of parent	4,209,101	4,566,368
Non-controlling interests	289,932	300,915
Total equity	4,499,033	4,867,283
Total liabilities and equity	6,739,476	7,301,250

(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Condensed Quarterly Consolidated Statement of Comprehensive Income
Condensed Quarterly Consolidated Statement of Profit or Loss

(Millions of yen)

Accounts	For the three months ended March 31, 2023	For the three months ended March 31, 2024
Revenue	578,007	596,800
Cost of sales	(227,952)	(238,518)
Gross profit	350,055	358,282
Exploration expenses	(1,945)	(4,727)
Selling, general and administrative expenses	(26,083)	(32,337)
Other operating income	11,274	12,192
Other operating expenses	(7,927)	(3,798)
Share of profit (loss) of investments accounted for using equity method	49,415	50,490
Operating profit	374,788	380,102
Finance income	21,706	34,126
Finance costs	(19,255)	(41,304)
Profit before tax	377,239	372,923
Income tax expense	(223,469)	(249,340)
Profit	153,770	123,583
Profit attributable to		
Owners of parent	146,799	121,829
Non-controlling interests	6,970	1,753
Profit	153,770	123,583
Earnings per share		
Basic earnings per share (Yen)	112.40	96.82
Diluted earnings per share (Yen)	112.33	96.76

Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

Accounts	For the three months ended March 31, 2023	For the three months ended March 31, 2024
Profit	153,770	123,583
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	748	(392)
Total items that will not be reclassified to profit or loss	748	(392)
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges	154	(1,690)
Exchange differences on translation of foreign operation	27,744	298,131
Financial assets measured at fair value through other comprehensive income	(119)	(199)
Share of other comprehensive income of investments accounted for using equity method	(2,463)	1,252
Total items that may be reclassified subsequently to profit or loss	25,316	297,494
Other comprehensive income, net of tax	26,065	297,102
Comprehensive income	179,835	420,685
Comprehensive income attributable to		
Owners of parent	173,161	403,310
Non-controlling interests	6,673	17,375
Comprehensive income	179,835	420,685

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

For the three months ended March 31, 2023

(Millions of yen)

	Equity attributable to owners of parent					
	Common stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Exchange differences on translation of foreign operation	Cash flow hedges
As of January 1, 2023	290,809	679,113	2,521,998	(121,358)	423,504	32,421
Profit	–	–	146,799	–	–	–
Other comprehensive income	–	–	–	–	28,041	(2,308)
Total comprehensive income	–	–	146,799	–	28,041	(2,308)
Disposal of treasury stock	–	(8)	–	8	–	–
Dividends	–	–	(41,820)	–	–	–
Changes in ownership interest in subsidiaries	–	(10)	–	–	–	–
Share-based payment transactions	–	41	–	–	–	–
Total transactions with owners	–	22	(41,820)	8	–	–
As of March 31, 2023	290,809	679,135	2,626,977	(121,349)	451,545	30,112

	Equity attributable to owners of parent				
	Other components of equity		Total	Non-controlling interests	Total
	Financial assets measured at fair value through other comprehensive income	Total			
As of January 1, 2023	(19,107)	436,818	3,807,381	261,178	4,068,560
Profit	–	–	146,799	6,970	153,770
Other comprehensive income	629	26,362	26,362	(296)	26,065
Total comprehensive income	629	26,362	173,161	6,673	179,835
Disposal of treasury stock	–	–	–	–	–
Dividends	–	–	(41,820)	(4,667)	(46,488)
Changes in ownership interest in subsidiaries	–	–	(10)	7,274	7,264
Share-based payment transactions	–	–	41	–	41
Total transactions with owners	–	–	(41,790)	2,607	(39,182)
As of March 31, 2023	(18,478)	463,180	3,938,753	270,459	4,209,212

For the three months ended March 31, 2024

(Millions of yen)

	Equity attributable to owners of parent					
	Common stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Exchange differences on translation of foreign operation	Cash flow hedges
As of January 1, 2024	290,809	679,131	2,746,530	(221,330)	694,996	30,224
Profit	–	–	121,829	–	–	–
Other comprehensive income	–	–	–	–	282,510	(437)
Total comprehensive income	–	–	121,829	–	282,510	(437)
Disposal of treasury stock	–	(24)	–	24	–	–
Cancellation of treasury stock	–	(219,999)	–	219,999	–	–
Dividends	–	–	(46,588)	–	–	–
Changes in ownership interest in subsidiaries	–	494	–	–	–	–
Share-based payment transactions	–	50	–	–	–	–
Total transactions with owners	–	(219,479)	(46,588)	220,024	–	–
As of March 31, 2024	290,809	459,652	2,821,771	(1,305)	977,506	29,787

	Equity attributable to owners of parent				
	Other components of equity		Total	Non-controlling interests	Total
	Financial assets measured at fair value through other comprehensive income	Total			
As of January 1, 2024	(11,261)	713,959	4,209,101	289,932	4,499,033
Profit	–	–	121,829	1,753	123,583
Other comprehensive income	(591)	281,480	281,480	15,621	297,102
Total comprehensive income	(591)	281,480	403,310	17,375	420,685
Disposal of treasury stock	–	–	–	–	–
Cancellation of treasury stock	–	–	–	–	–
Dividends	–	–	(46,588)	(10,017)	(56,605)
Changes in ownership interest in subsidiaries	–	–	494	3,625	4,119
Share-based payment transactions	–	–	50	–	50
Total transactions with owners	–	–	(46,042)	(6,392)	(52,435)
As of March 31, 2024	(11,853)	995,440	4,566,368	300,915	4,867,283

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

Accounts	For the three months ended March 31, 2023	For the three months ended March 31, 2024
Cash flows from operating activities		
Profit before tax	377,239	372,923
Depreciation and amortization	77,054	92,000
Increase (decrease) in asset retirement obligations	925	168
Finance income and finance costs (income)	(2,451)	7,178
Foreign exchange loss (gain)	3,727	(1,738)
Share of loss (profit) of investments accounted for using equity method	(49,415)	(50,490)
Decrease (increase) in inventories	1,626	(7,970)
Decrease (increase) in trade and other receivables	49,088	(57,413)
Increase (decrease) in trade and other payables	(1,886)	17,426
Other operating activities	6,466	411
Subtotal	462,374	372,495
Interest received	3,362	3,828
Dividends received	2,250	12,208
Interest paid	(16,911)	(15,821)
Income taxes paid	(216,266)	(232,484)
Net cash provided by (used in) operating activities	234,809	140,226
Cash flows from investing activities		
Payments into time deposits	(2,713)	(10,650)
Proceeds from withdrawal of time deposits	2,681	22,363
Payments for acquisition of exploration and evaluation assets	(3,022)	(17,201)
Payments for acquisition of development and production assets	(51,461)	(58,181)
Payments for purchases of other property, plant and equipment	(538)	(938)
Payments for purchases of investments	(124,060)	(34,580)
Proceeds from sale and redemption of investments	2,521	47,877
Payments for purchases of investments accounted for using equity method	(39,380)	(12,906)
Payments for acquisition of businesses	-	(40,657)
Net decrease (increase) in short-term loans receivable	334	1,041
Long-term loans made	(784)	(33,262)
Collection of long-term loans receivable	43,817	1,448
Other investing activities	17,381	12,202
Net cash provided by (used in) investing activities	(155,223)	(123,445)

(Millions of yen)

Accounts	For the three months ended March 31, 2023	For the three months ended March 31, 2024
Cash flows from financing activities		
Net increase (decrease) in commercial papers	50,000	120,000
Proceeds from long-term borrowings	250	81
Repayments of long-term borrowings	(109,530)	(71,088)
Repayments of lease liabilities	(4,668)	(5,763)
Cash dividends paid	(32,969)	(36,351)
Capital contribution from non-controlling interests	7,264	4,119
Cash dividends paid to non-controlling interests	(4,535)	(10,017)
Other financing activities	(8,382)	24
Net cash provided by (used in) financing activities	(102,574)	1,004
Net increase (decrease) in cash and cash equivalents	(22,988)	17,784
Cash and cash equivalents at beginning of the year	208,238	201,149
Effect of exchange rate changes on cash and cash equivalents	(2,832)	8,380
Cash and cash equivalents at end of the period	182,416	227,314

(5) Notes to Condensed Quarterly Consolidated Financial Statements

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

None

(Segment information)

Reportable segment profit represents profit attributable to owners of parent as presented in the condensed quarterly consolidated statement of profit or loss. Intersegment transactions follow pricing based on arm's-length principles.

The revenue, profit and other items for the Group's reportable segments are as follows:

For the three months ended March 31, 2023 (January 1, 2023 through March 31, 2023)

(Millions of yen)

	Reportable segments			Other*	Total	Adjustments	Consolidated
	Oil & Gas Japan	Oil & Gas Overseas					
		Ichthys Project	Other Projects				
Revenue							
Revenue from external customers	79,964	99,110	390,363	8,568	578,007	–	578,007
Intersegment revenue	1,782	5,810	–	2,556	10,150	(10,150)	–
Total	81,747	104,921	390,363	11,125	588,157	(10,150)	578,007
Segment profit (loss)	17,055	92,543	28,252	9,352	147,202	(402)	146,799

Note: The "Other" category consists of the operating segments that are not included in the reportable segments, and includes the five net-zero businesses, etc.

For the three months ended March 31, 2024 (January 1, 2024 through March 31, 2024)

(Millions of yen)

	Reportable segments			Other*	Total	Adjustments	Consolidated
	Oil & Gas Japan	Oil & Gas Overseas					
		Ichthys Project	Other Projects				
Revenue							
Revenue from external customers	58,154	103,361	427,008	8,275	596,800	–	596,800
Intersegment revenue	1,941	7,887	–	2,418	12,247	(12,247)	–
Total	60,096	111,248	427,008	10,693	609,047	(12,247)	596,800
Segment profit (loss)	6,010	90,813	25,523	343	122,690	(860)	121,829

Note: The "Other" category consists of the operating segments that are not included in the reportable segments, and includes the five net-zero businesses, etc.

(Significant Subsequent Events)

(Acquisition of the Company's treasury stock)

The Board of Directors of the Company resolved at a meeting held on May 14, 2024 for the Company to acquire its treasury stock pursuant to Article 156, as applied pursuant to paragraph 3, Article 165, of the Companies Act.

1. Reasons for acquisition of treasury stock

To improve capital efficiency and enhance shareholder returns.

2. Details of the acquisition

- | | |
|--|--|
| (1) Type of shares to be acquired: | Common shares |
| (2) Total number of shares to be acquired: | Up to 40 million shares
(3.18% of total number of issued shares excluding treasury stock) |
| (3) Total cost of acquisition: | Up to 50.0 billion yen |
| (4) Period of acquisition: | From May 15, 2024 to December 31, 2024 |
| (5) Method of acquisition: | Market purchases on the Tokyo Stock Exchange |

(Reference) Total number of issued common shares and treasury stock held as of March 31, 2024

Total number of issued shares (excluding treasury stock): 1,259,136,021 shares

Total number of treasury stock: 46 shares

Note: The shares held by the Board Incentive Plan Trust (875,230 shares) are not included in the number of treasury stock.

3. Supplementary Information

(1) Production, Orders Received and Sales Performance

1) Actual production

The following table shows actual production by segment:

Segment		Category	For the three months ended March 31, 2023	For the three months ended March 31, 2024
Oil & Gas Japan		Crude oil	0.3 MMbbls (2.8 Mbbls per day)	0.2 MMbbls (2.3 Mbbls per day)
		Natural gas	9.2 Bcf (101.8 MMcf per day)	7.8 Bcf (85.7 MMcf per day)
		Subtotal	1.9 MMboe (21.4 Mboe per day)	1.6 MMboe (18.0 Mboe per day)
		Iodine	141.6t	144.6t
		Electric power generation	50.3 million kWh	52.5 million kWh
Oil & Gas Overseas	Ichthys Project	Crude oil	3.3 MMbbls (37.1 Mbbls per day)	3.3 MMbbls (36.2 Mbbls per day)
		Natural gas	92.7 Bcf (1,029.9 MMcf per day)	99.5 Bcf (1,093.3 MMcf per day)
		Subtotal	21.2 MMboe (235.6 Mboe per day)	22.4 MMboe (246.5 Mboe per day)
	Other Projects	Crude oil	32.4 MMbbls (359.7 Mbbls per day)	32.1 MMbbls (353.1 Mbbls per day)
		Natural gas	24.5 Bcf (272.4 MMcf per day)	23.8 Bcf (261.5 MMcf per day)
		Subtotal	36.9 MMboe (410.0 Mboe per day)	36.5 MMboe (401.4 Mboe per day)
		Sulfur	36.1 Mtons	32.0 Mtons
	Other		Electric power generation	320.9 million kWh
Total		Crude oil	36.0 MMbbls (399.7 Mbbls per day)	35.6 MMbbls (391.7 Mbbls per day)
		Natural gas	126.4 Bcf (1,404.2 MMcf per day)	131.1 Bcf (1,440.5 MMcf per day)
		Subtotal	60.0 MMboe (667.0 Mboe per day)	60.6 MMboe (665.9 Mboe per day)
		Iodine	141.6t	144.6t
		Sulfur	36.1 Mtons	32.0 Mtons
		Electric power generation	371.1 million kWh	659.5 million kWh

Notes: 1. The volume of LPG produced overseas is included in "Crude oil."

2. A portion of crude oil and natural gas production volume is consumed as fuel to generate electricity.

3. The production by the Company's affiliates, etc. is included in the figures above.

4. The production volume of crude oil and natural gas under the production sharing contracts entered into by the 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 37.8 MMbbls (420.1 Mbbls per day) of crude oil, 129.3 Bcf (1,436.1 MMcf per day) of natural gas, and in total 62.4 MMboe (693.1 Mboe per day) for the three months ended March 31, 2023, and 37.2 MMbbls (408.9 Mbbls per day) of crude oil, 133.4 Bcf (1,466.0 MMcf per day) of natural gas, and in total 62.6 MMboe (688.2 Mboe per day) for the three months ended March 31, 2024.

5. "Boe" means barrels of oil equivalent.

6. "Iodine" is refined by other company on consignment.

7. Figures are rounded to the first 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 three months ended March 31, 2023		For the three months ended March 31, 2024		
			Sales volume	Revenue	Sales volume	Revenue	
Oil & Gas Japan		Crude oil	122 Mbbls	1,304	82 Mbbls	992	
		Natural gas (excluding LPG)	26,011 MMcf	77,133	26,898 MMcf	55,545	
		Other		1,526		1,616	
		Subtotal		79,964		58,154	
Oil & Gas Overseas	Ichthys Project	Crude oil	3,403 Mbbls	37,191	3,476 Mbbls	42,927	
		Natural gas (excluding LPG)	84,449 MMcf	61,918	86,363 MMcf	60,434	
		Subtotal		99,110		103,361	
	Other Projects	Crude oil	33,153 Mbbls	358,174	33,780 Mbbls	404,268	
		Natural gas (excluding LPG)	17,683 MMcf	29,383	17,616 MMcf	22,387	
		LPG	441 Mbbls	2,747	–	294	
		Other		56		58	
		Subtotal		390,363		427,008	
	Other		Crude oil	–	2,552	–	1,925
			Natural gas (excluding LPG)	99 MMcf	548	99 MMcf	489
LPG			–	2,009	–	2,032	
Other				3,458		3,828	
Subtotal				8,568		8,275	
Total		Crude oil	36,677 Mbbls	399,222	37,338 Mbbls	450,113	
		Natural gas (excluding LPG)	128,241 MMcf	168,984	130,976 MMcf	138,856	
		LPG	441 Mbbls	4,757	–	2,326	
		Other		5,042		5,503	
		Total		578,007		596,800	