

INPEX CORPORATION

Financial Results

for the year ended March 31, 2016

May 13, 2016



- Corporate Overview
- Outlook
- Financial Results
for the year ended March 31, 2016
- Consolidated Financial Forecasts
for the year ending March 31, 2017

Cautionary Statement



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.

Corporate Overview

Toshiaki Kitamura
Representative Director, President & CEO

FY 2016/03 Corporate Highlights (1/2)



■ Financial Results (FY2016/03)	- Net sales ¥1,009.5 billion (13.8 % decrease YoY) - Net income ¥16.7 billion (78.4 % decrease YoY)
■ Net Production	- 514 thousand BOED (26% increase YoY)
■ Proved Reserves	- 3.26 billion BOE (34% increase YoY)
■ Ichthys LNG Project	- Continue onshore (LNG plant) / offshore (CPF/FPSO) development works etc. - Project progress rate: Approx. 84%
■ Abadi LNG Project	- Received the notice from Indonesian government instructing to re-propose a plan of development based on onshore LNG - Maintaining our policy for early start-up of development, to have close cooperation with Indonesian government
■ Responding to Lower Oil Prices	- Development investment : Decrease by 13% YoY (US\$7,325 million) - Exploration investment : Decrease by 51% YoY (US\$ 327 million) - Production costs/BOE: Decrease by 30 % YoY (US\$ 7.8/BOE)

FY 2016/03 Corporate Highlights (2/2)



Continuous Enhancement of E&P Activities

- Discovered oil in Deepwater Block R, Offshore East Malaysia (April)
- Acquired participating interest in ADCO Onshore Concession, Abu Dhabi, UAE (April)
- Re-started oil production at Van Gogh Oil Field, Western Australia (April)
- Commenced oil production at Coniston Oil Field, Western Australia (May)
- Discovered oil in Minami-Kuwayama Oil Field in Niigata Prefecture, Japan (June)
- Commenced oil production at Lianzi Oil Field, in unitized offshore zone in the Republic of Angola and Republic of Congo (November)
- Discovered additional oil accumulations in the BM-ES-23 concession in Espírito Santo Basin, Brazil (December)
- Agreed on Heads of Agreement addressing participation in the Offshore Mahakam Block, Indonesia after 2018 (December)

Strengthening Gas Supply Chain

- Entered Joint Business Agreement on power supply with nine city gas companies in Tokyo metropolitan area (January), based on “the Heads of Agreement for Joint Power Supply Business” with Chubu Electric
- Signed Natural Gas Sales and Purchase Agreement with Nihonkai Gas (January)

Reinforcement of Renewable Energy Initiatives

- Joined the Sarulla Geothermal Independent Power Producer (IPP) Project in Indonesia (June)
- Started operation of the second photovoltaic power generation system (maximum output of 2 megawatts) (July)

Ichthys LNG Project (1/3)



Onshore LNG plant
(Mar/2016)



Completion of subsea flowline installation (Feb./2016)



- Proved reserves: Approx. 930 million BOE (Based on INPEX's participating interest of 62.245%)
- Production capacity :
 - Approx. 8.9 million t/y of LNG
 - Approx. 1.6 million t/y of LPG
 - Approx. 100,000 bbl/d of condensate (at peak)
- Participating interest:
INPEX 62.245%, TOTAL 30.000%, Tokyo Gas 1.575%, Osaka Gas 1.200%,
Chubu Electric Power 0.735%, Toho Gas 0.420%, CPC 2.625%, Kansai Electric Power 1.200%
- FID in January 2012
- Project progress rate : Approx. 84%

- Announcement in September 2015
 - Production start: End December 2016 → 3rd quarter of 2017
 - CAPEX : Approx. 10% increase (compared with figure at the time of FID)
 - LNG production capacity : Approx. 8.4 million t/y → Approx. 8.9 million t/y (approx. 6% increase)

Ichthys LNG Project (2/3)

Offshore Facilities



Major works for Offshore Facilities done since FID and plans up to the third quarter of 2017

2012	2013	2014	2015	2016	2017 (Jan.-Sep.)
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Detailed engineering / procurement

Installation of GEP

Construction of CPF and FPSO / Preparation for ready for sail away

Installation and hook-up offshore production facilities / commissioning

Drilling production wells / completion

Production
start-up

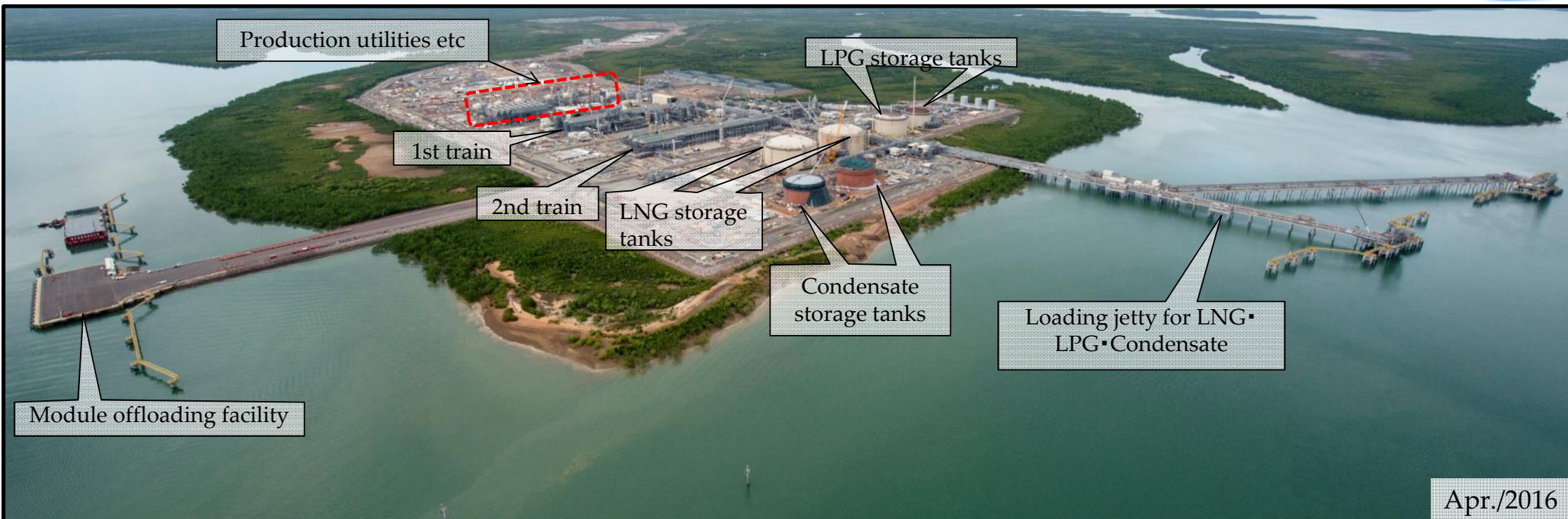
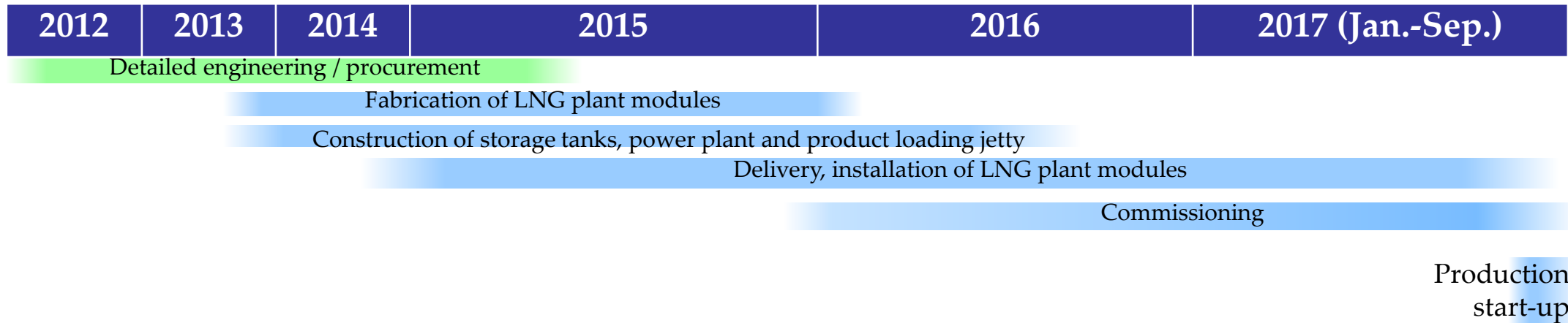


Ichthys LNG Project (3/3)

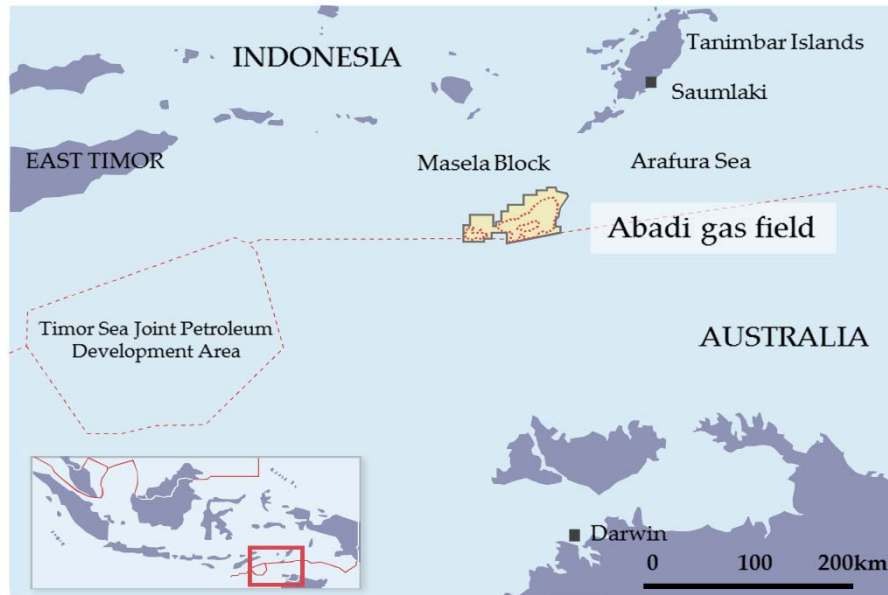
Onshore Facilities

INPEX

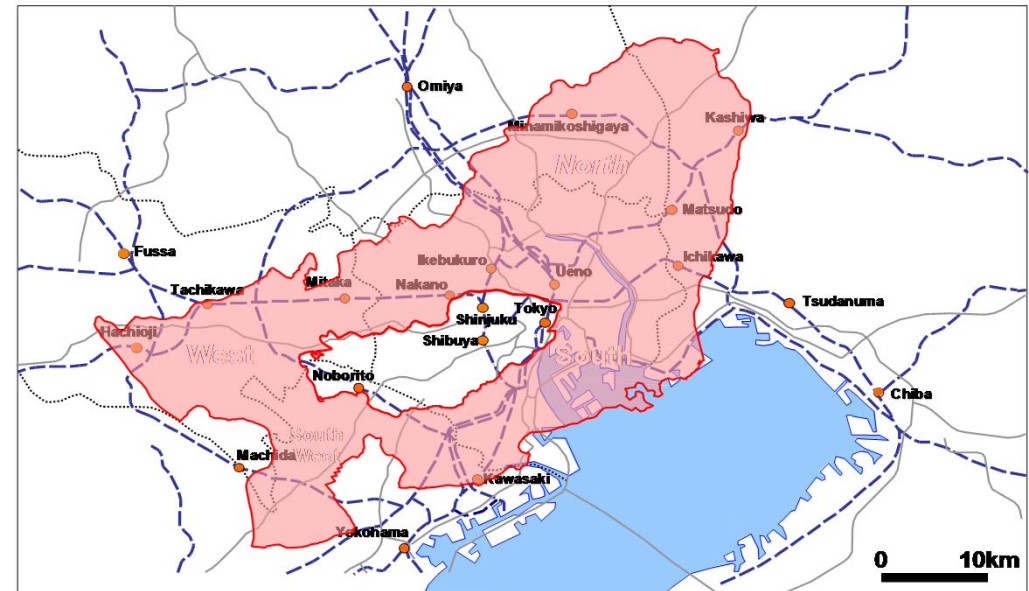
Major works for Onshore Facilities done since FID and plans up to the third quarter of 2017



Abadi LNG Project



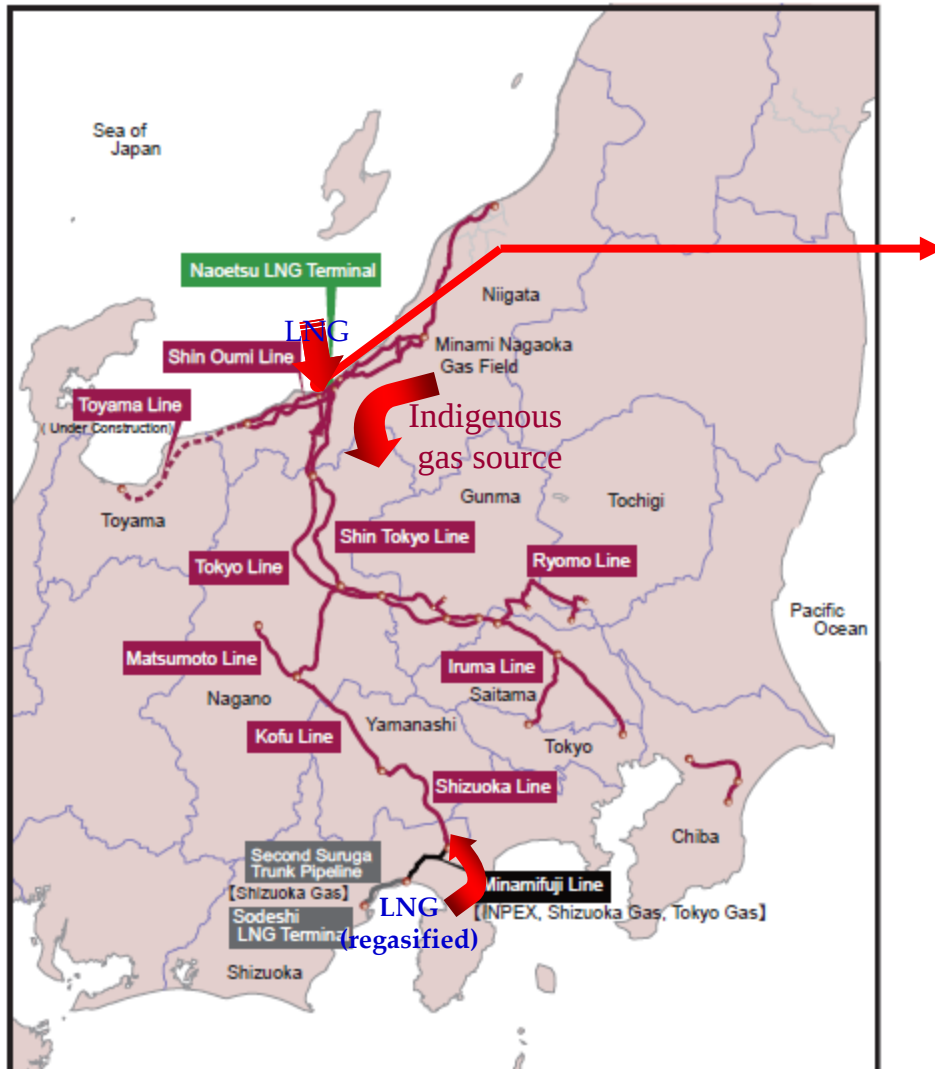
Location of Masela Block



Abadi gas field (image)

- Submitted to the Indonesian government a revised Plan of Development (Revised POD) in September 2015 based on the FLNG plant
- Under review on the notice from Indonesian government instructing to re-propose a plan of development based on onshore LNG for the project in April 2016
- Maintaining our policy for early start-up of development, to have close cooperation with Indonesian government

Domestic Natural Gas Business



Naoetsu LNG Terminal



- Toyama Line to start operations in mid-2016
 - Signed Natural Gas Sales and Purchase Agreement with Nihonkai Gas in January 2016
- Regarding natural gas supply as a fuel for new gas fired power generation companies, steadily preparing for supply structure and conducting active marketing

Topics for FY 2016/03



Progress of the existing projects (Results in the 2nd half of FY 2016/03)

Republic of Angola and Republic of Congo :
Unitized offshore zone straddling both
countries

- In November commenced oil production at the Lianzi oil field
- Production volume :expected to approximately 40,000 barrels per day
 - Share in Angola Block 14 B.V., a joint venture with TOTAL : 9.99%

Indonesia: Offshore Mahakam Block

- Agreed on the Heads of Agreement (HOA) in December 2015 with Pertamina and TOTAL addressing participation in the block after 2018

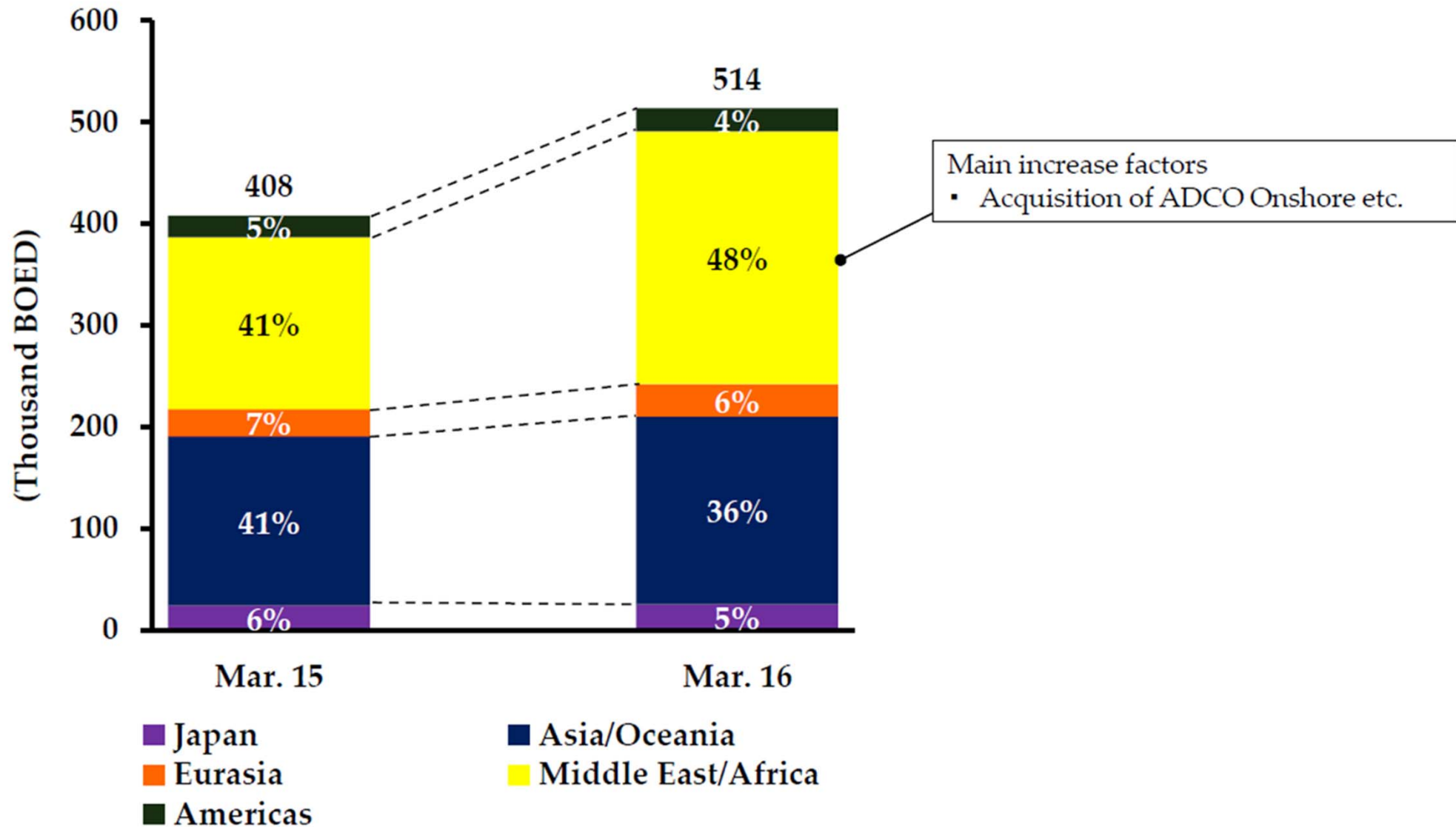
Brazil : BM-ES-23 block

- Discovered oil accumulations in December 2015
 - INPEX share : 15%,
Petrobras 65%(Operator),
PTTEP 20%

● Production project

● Exploration project

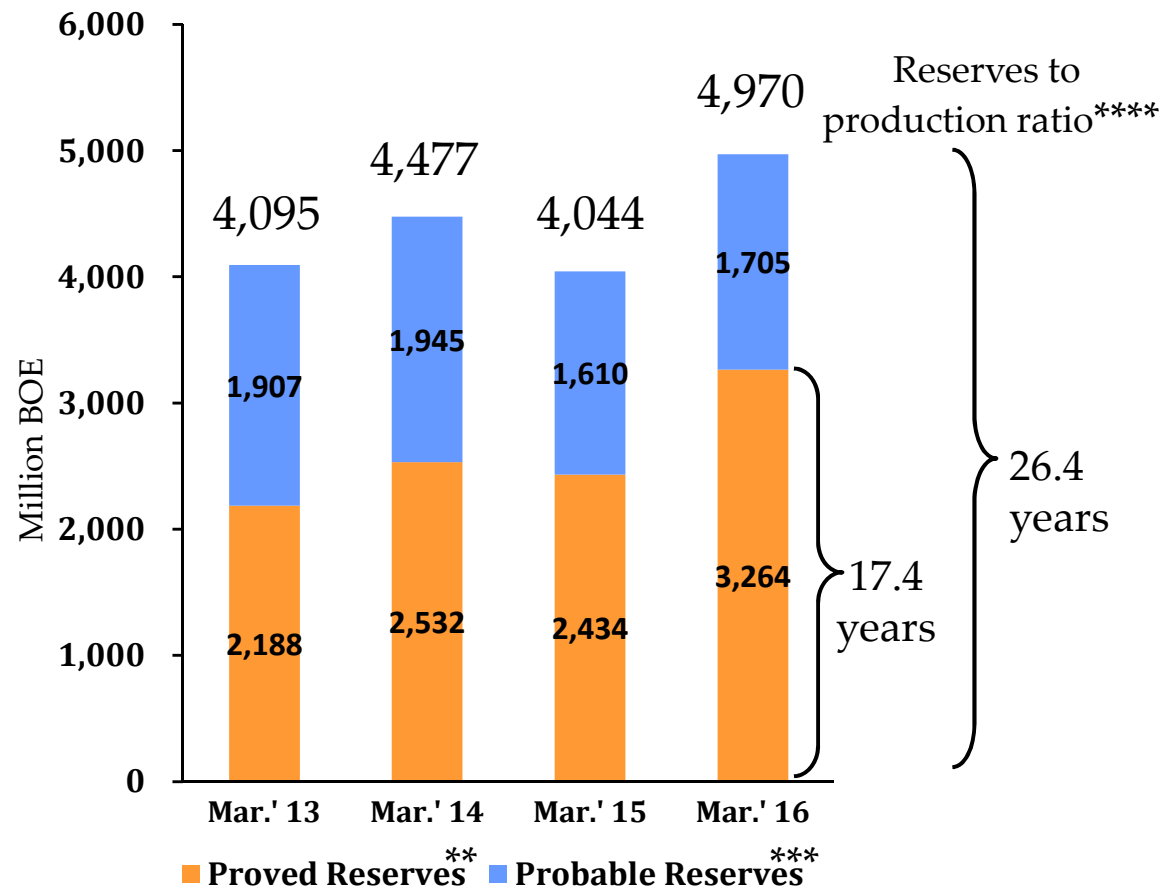
Net Production* (FY 2016/03)



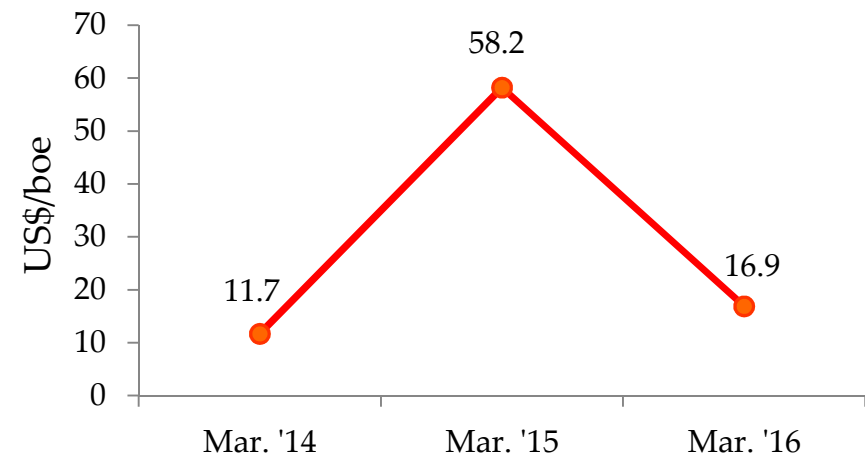
* The production volume of crude oil and natural gas under the production sharing contracts entered into by INPEX Group corresponds to the net economic take of INPEX Group.

Proved + Probable Reserves* and Reserve Indices

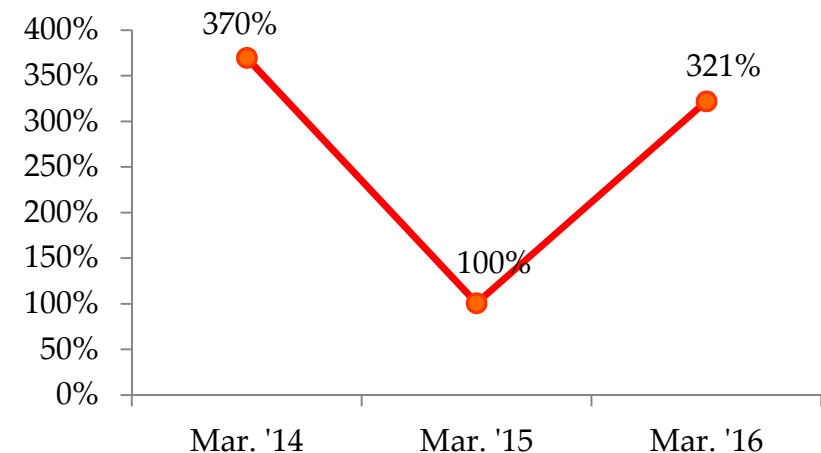
INPEX



Finding & Development Cost per BOE (3-year average)



Reserve Replacement Ratio (3-year average)*****



* The reserves cover most INPEX Group projects including equity method affiliates. The reserves of the projects for which a large amount of investment is expected and which should materially affect the company's future results are evaluated by DeGolyer & MacNaughton, and the others are evaluated internally. The reserves for Mar.'16 in this presentation are provisional results.

** The proved reserves are evaluated in accordance with SEC regulations. When probabilistic methods are employed, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimated proved reserves.

*** The probable reserves are evaluated in accordance with SPE/WPC/AAPG/SPEE guidelines (SPE-PRMS) approved in March 2007. When probabilistic methods are employed, there should be at least a 50% probability that the quantities actually recovered will equal or exceed the sum of estimated proved and probable reserves. Probable reserves do not offer a guarantee of the production of total reserves during a future production period with the same certainty as proved reserves.

**** Reserves to production ratio = Reserves as of March 31, 2016 / Production for the year ended March 31, 2016

***** Reserve Replacement Ratio = Proved reserves increase including acquisition / production in the fiscal year

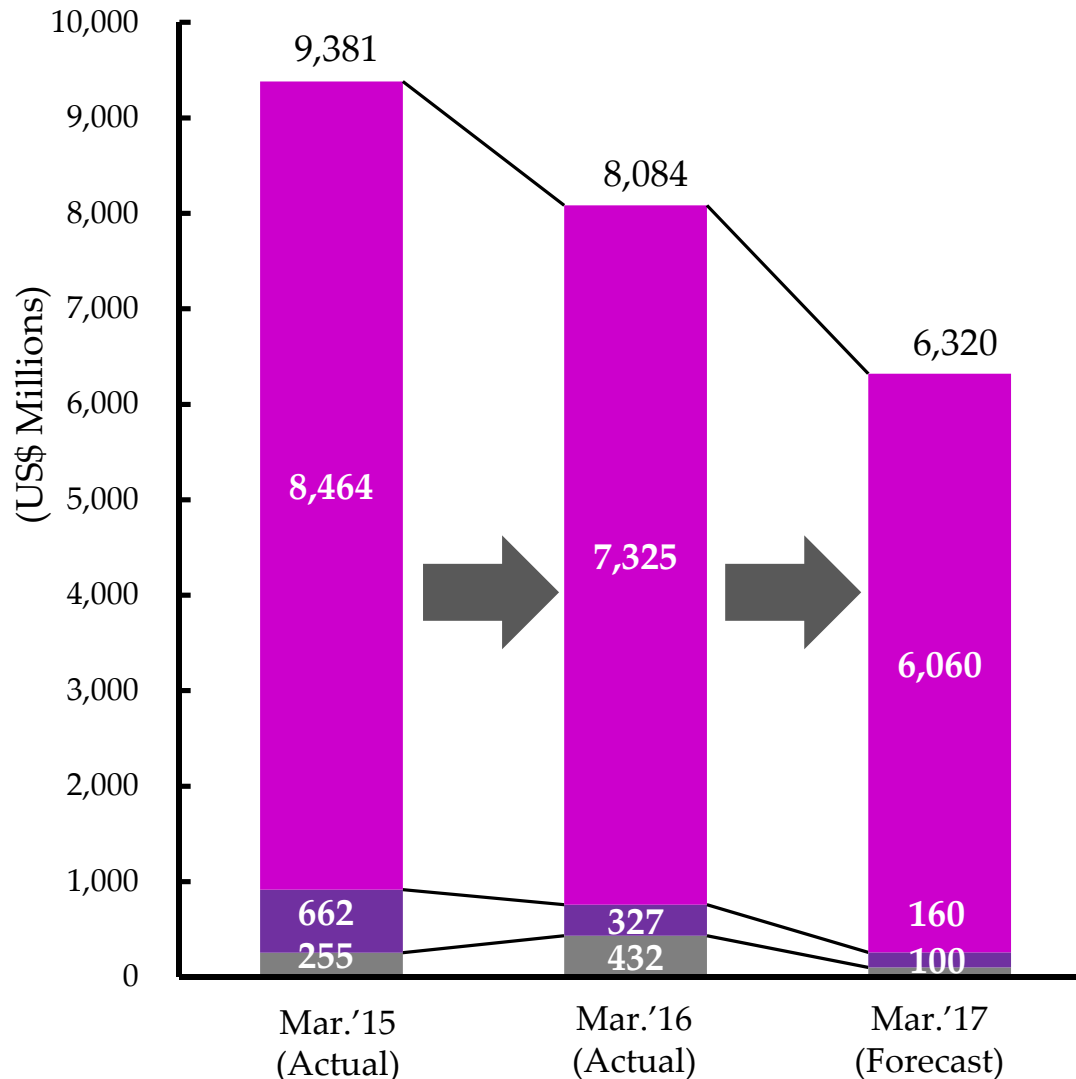
Outlook

Toshiaki Kitamura
Representative Director, President & CEO

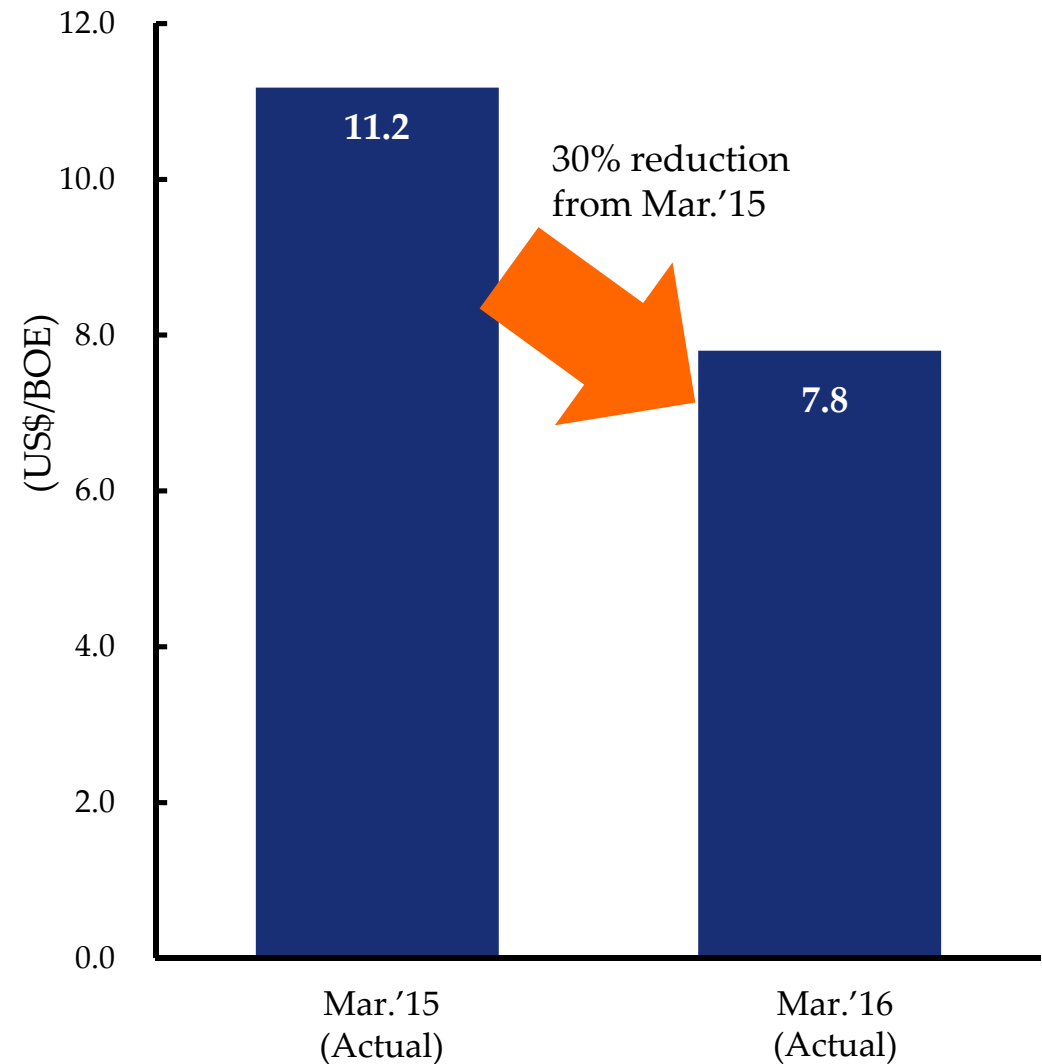
Responding to Lower Oil Prices

INPEX

**Mar.'15 & Mar.'16 investments
versus Mar.'17 investment forecast**



Production cost per Barrel of Oil Equivalent*³



■ Development*¹ ■ Exploration ■ Other capital expenditures*²

*¹ Includes investments in Ichthys downstream business

*² Mainly investments in Naoetsu LNG Terminal and domestic pipeline network

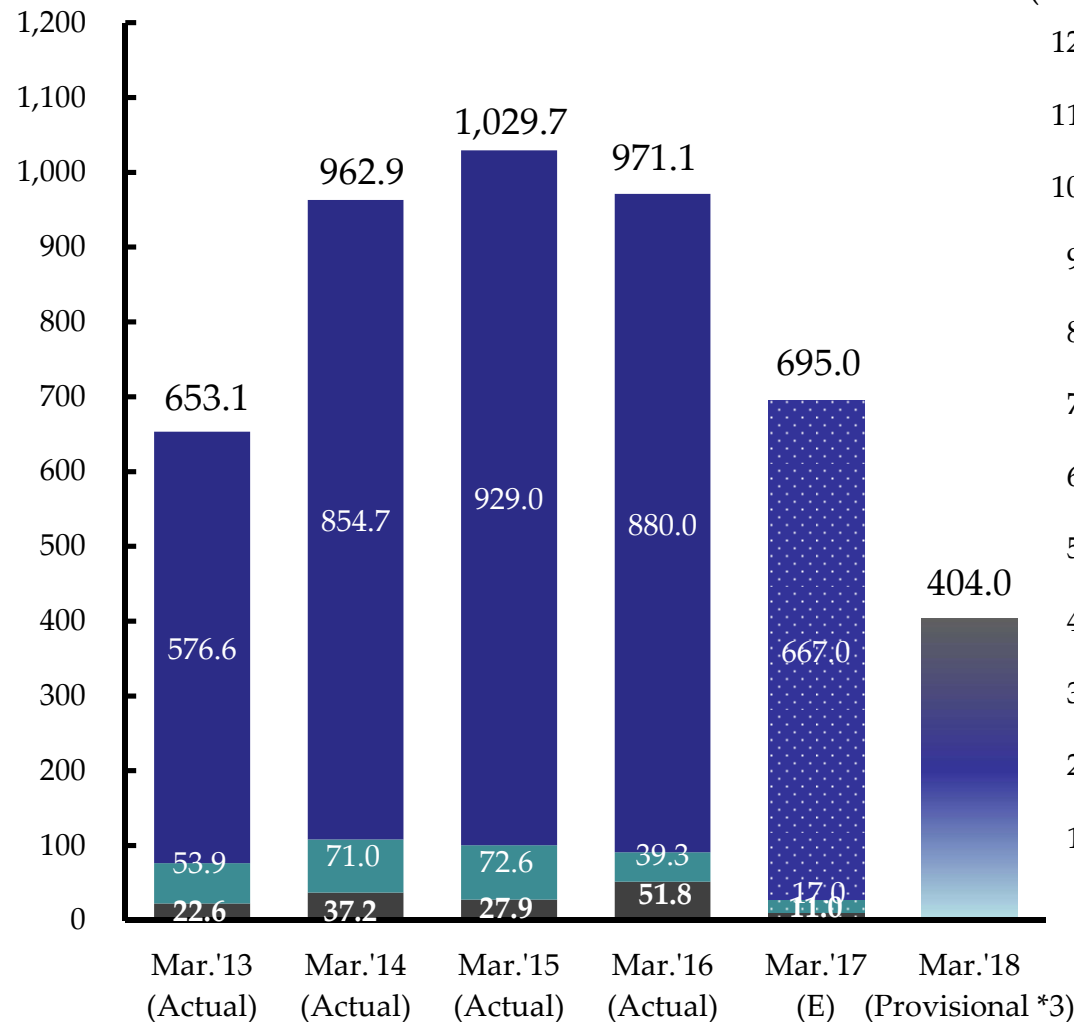
*³ Excluding royalties

Actual and Planned Investments

INPEX

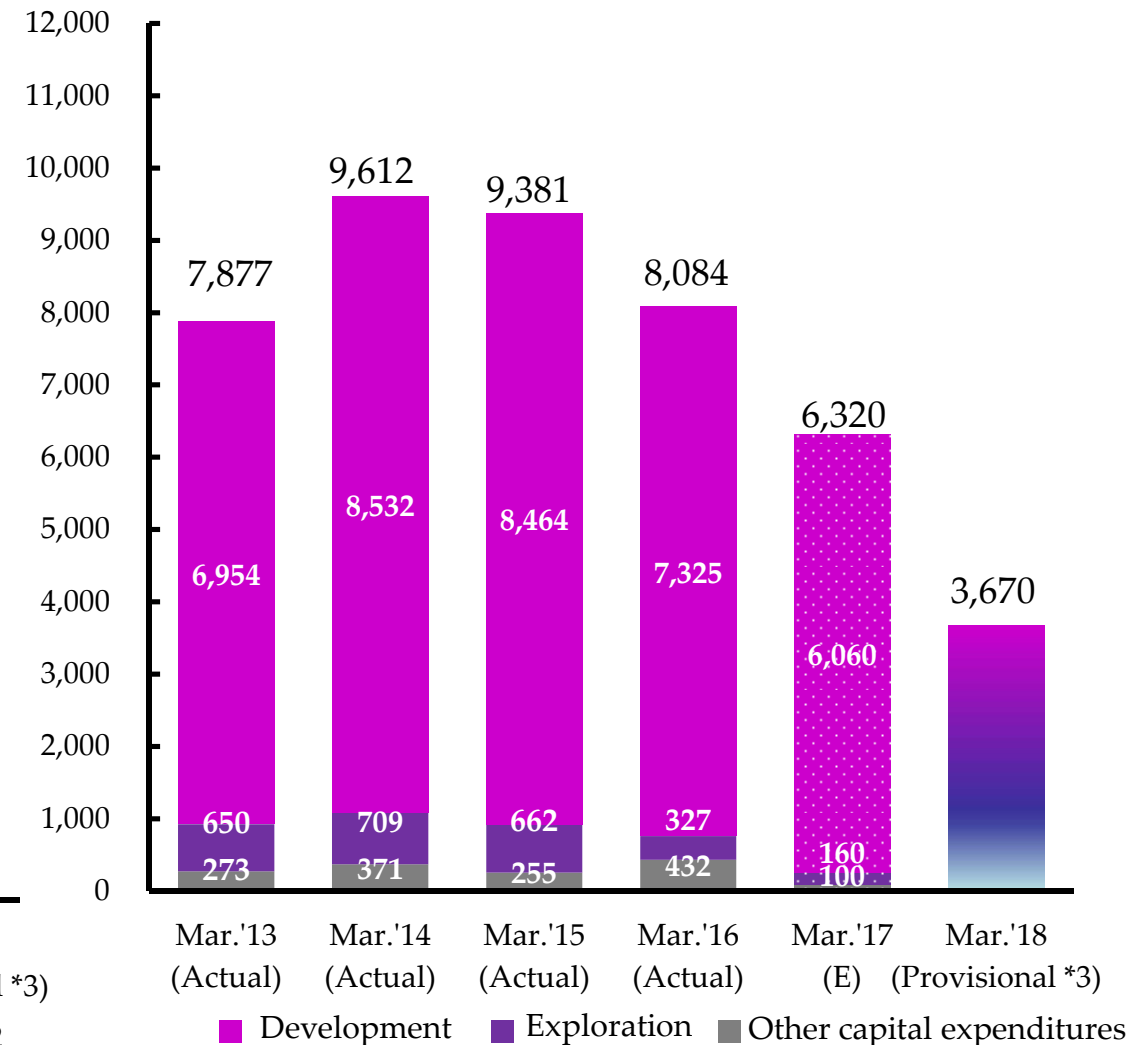
Actual and planned investments in Yen
(Billions of Yen)

(Billions of Yen)



Actual and planned investments in US\$
(Millions of US\$)

(Millions of US\$)



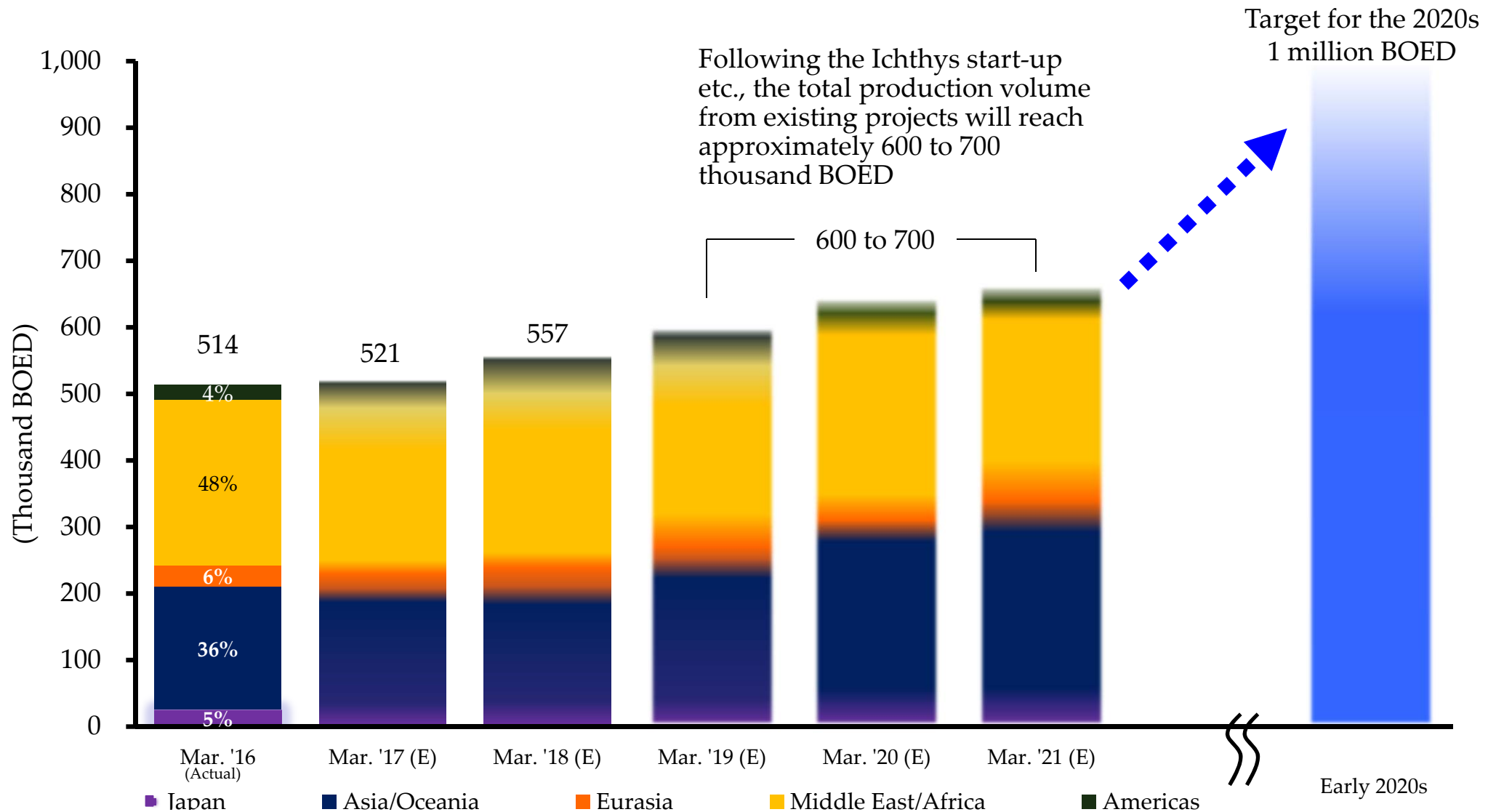
*1 Includes investments in Ichthys downstream business

*2 Mainly investments in Naoetsu LNG Terminal and domestic pipeline network

*3 Provisional amounts including Development, Exploration and Other capital expenditures

Net Production* Volume Projection

INPEX



Note: Assumed Brent oil price for net production projection : \$45/bbl

* The production volume of crude oil and natural gas under the production sharing contracts entered into by INPEX Group corresponds to the net economic take of the Group.

17** The production volume projection of crude oil and natural gas after Mar.'17 may change due to the price of oil and gas and situation of project.

FY 2017/03 Outlook

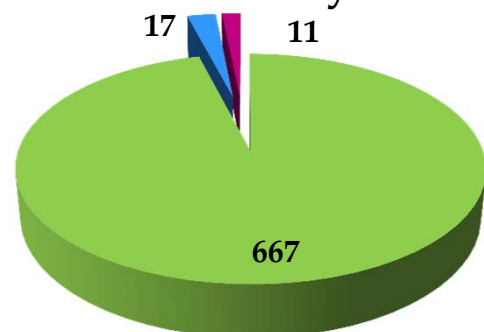


Investment Plan

- Development:
667 billion Yen
- Exploration:
17 billion Yen
- Other capital expenditures:
11 billion Yen

(Decrease by 276.2 billion Yen YoY)

Investment Plan By Activity



Net Production

- Target production:
521 thousand BOED
(Increase by 7 thousand BOED YoY)

Projects

- Ichthys LNG Project development progression
- Toyama line to start operations in mid-2016
- Kashagan Oil Field to restart oil production

Financial Results for the year ended March 31, 2016

Masahiro Murayama

Director, Managing Executive Officer

Senior Vice President, Finance & Accounting

Highlights of the Consolidated Financial Results for the year ended March 31, 2016



	Apr. '14 - Mar. '15	Apr. '15 - Mar. '16	Change	%Change
Net sales (Billions of yen)	1,171.2	1,009.5	(161.6)	(13.8%)
Crude oil sales	730.4	679.2	(51.1)	(7.0%)
Natural gas sales (including LPG)	421.8	316.7	(105.0)	(24.9%)
Others	18.9	13.5	(5.3)	(28.4%)
Operating income (Billions of yen)	534.8	390.1	(144.7)	(27.1%)
Ordinary income (Billions of yen)	575.1	374.7	(200.3)	(34.8%)
Net income attributable to owners of parent (Billions of yen)	77.8	16.7	(61.0)	(78.4%)
Net income per share (Yen)	53.29	11.49	(41.8)	(78.4%)

Average number of INPEX shares issued and outstanding during the year ended March 31, 2016: 1,460,357,200

Average crude oil price (Brent) (\$/bbl)	86.57	48.73	(37.84)	(43.7%)
Average exchange rate (¥/\$)	109.77	120.15	10.38 yen depreciation	9.5% yen depreciation

Crude Oil Sales



	Apr. '14 - Mar. '15	Apr. '15 - Mar. '16	Change	%Change
Net sales (Billions of yen)	730.4	679.2	(51.1)	(7.0%)
Sales volume (thousand bbl)	80,558	117,227	36,669	45.5%
Average unit price of overseas production (\$/bbl)	84.00	47.95	(36.05)	(42.9%)
Average unit price of domestic production (¥/kl)	61,080	38,259	(22,821)	(37.4%)
Average exchange rate (¥/\$)	107.79	120.74	12.95 yen depreciation	12.0% yen depreciation
Sales volume by region (thousand bbl)	Apr. '14 - Mar. '15	Apr. '15 - Mar. '16	Change	%Change
Japan	791 (125.8 thousand kl)	741 (117.8 thousand kl)	(50) (-8.0 thousand kl)	(6.4%)
Asia & Oceania	11,015	13,505	2,489	22.6%
Eurasia (Europe & NIS)	9,946	11,666	1,721	17.3%
Middle East & Africa	58,773	89,486	30,714	52.3%
Americas	33	1,829	1,796	-
Total	80,558	117,227	36,669	45.5%

Natural Gas Sales (excluding LPG)



	Apr. '14 - Mar. '15	Apr. '15 - Mar. '16	Change	%Change
Net sales (Billions of yen)	401.3	306.2	(95.1)	(23.7%)
Sales volume (million cf)	309,485	337,216	27,731	9.0%
Average unit price of overseas production (\$/thousand cf)	11.36	6.58	(4.78)	(42.1%)
Average unit price of domestic sales (¥/m ³)	57.56	52.29	(5.27)	(9.2%)
Average exchange rate (¥/\$)	108.26	119.95	11.69 yen depreciation	10.8% yen depreciation
Sales volume by region (million cf)	Apr. '14 - Mar. '15	Apr. '15 - Mar. '16	Change	%Change
Japan	66,679 (1,787 million m ³ *)	65,304 (1,750 million m ³ *)	(1,374) (-37 million m ³ *)	(2.1%)
Asia & Oceania	204,231	238,759	34,528	16.9%
Eurasia (Europe & NIS)	-	-	-	-
Middle East & Africa	-	-	-	-
Americas	38,575	33,153	(5,423)	(14.1%)
Total	309,485	337,216	27,731	9.0%

(FYI) LPG Sales

	Apr. '14 - Mar. '15	Apr. '15 - Mar. '16	Change	%Change
Net Sales (Billions of yen)	20.5	10.5	(9.9)	(48.6%)

*1m³=41.8605MJ

Statement of Income



(Billions of Yen)	Apr. '14 - Mar. '15	Apr. '15 - Mar. '16	Change	%Change	
Net sales	1,171.2	1,009.5	(161.6)	(13.8%)	Increase in Sales volume : +362.1 Decrease in Unit price : (612.8) Exchange rate (Depreciation of Yen) : +94.4 Others : (5.3)
Cost of sales	525.4	526.7	1.3	0.3%	
Gross profit	645.7	482.8	(162.9)	(25.2%)	Cost of sales for Crude Oil : 344.1 (Change) +35.6 Cost of sales for Natural gas* : 170.7 (Change) (31.3) * Including LPG
Exploration expenses	23.2	6.1	(17.0)	(73.5%)	
Selling, general and administrative expenses	87.6	86.5	(1.1)	(1.3%)	
Operating income	534.8	390.1	(144.7)	(27.1%)	
Other income	101.7	69.9	(31.8)	(31.3%)	Main factors; Decrease in Gain on transfer of mining rights, etc. (26.7)
Other expenses	61.4	85.3	23.8	38.7%	Foreign exchange gain (16.5)
Ordinary income	575.1	374.7	(200.3)	(34.8%)	Gain on sales of marketable securities +7.8
Extraordinary loss (Impairment loss)	35.1	45.8	10.7	30.6%	Main Factors; Provision for allowance for recoverable accounts under production sharing +5.5
Total income taxes	464.4	354.3	(110.0)	(23.7%)	Equity in losses of affiliates +7.2
Net income (loss) attributable to non-controlling interests	(2.2)	(42.2)	(40.0)	-	Loss on disposal of fixed assets +7.0
Net income attributable to owners of parent	77.8	16.7	(61.0)	(78.4%)	Main factors of Impairment loss for the current period; Lucius Oil Field: 26.4 JPDA06-105 Block in the Timor Sea Joint Petroleum Development Area (JPDA) : 7.4

Other Income/Expenses

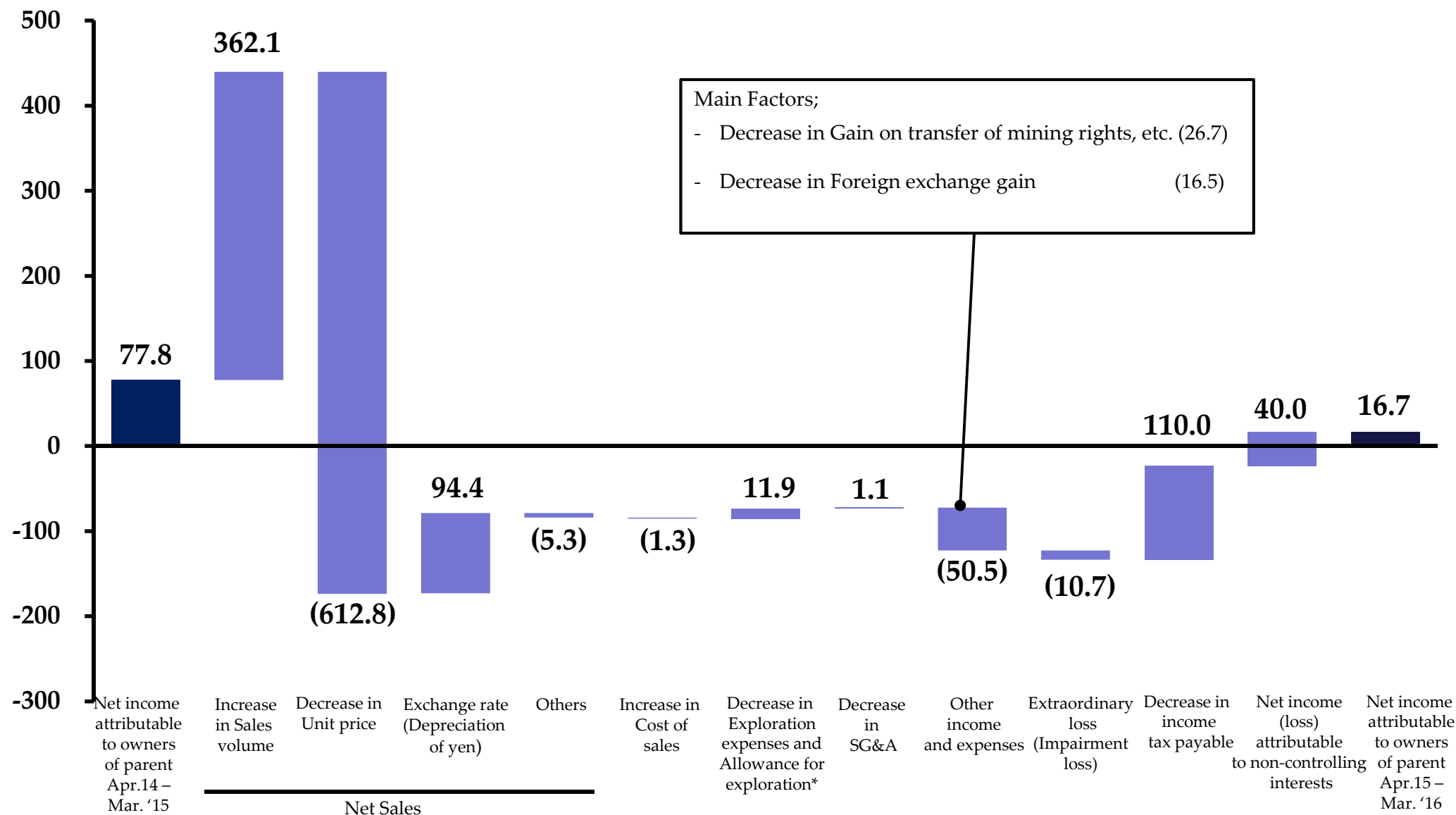


(Billions of Yen)	Apr. '14 - Mar. '15	Apr. '15 - Mar. '16	Change	%Change
Other income	101.7	69.9	(31.8)	(31.3%)
Interest income	11.2	10.7	(0.4)	(4.2%)
Dividend income	6.6	10.8	4.1	62.3%
Gain on sales of marketable securities	18.1	25.9	7.8	43.2%
Foreign exchange gain	19.5	2.9	(16.5)	(84.8%)
Other	46.1	19.4	(26.7)	(58.0%)
Other expenses	61.4	85.3	23.8	38.7%
Interest expense	2.9	4.1	1.2	42.5%
Equity in losses of affiliates	13.4	20.6	7.2	53.9%
Provision for allowance for recoverable accounts under production sharing	19.4	25.0	5.5	28.7%
Provision for exploration projects	0.8	0.3	(0.4)	(59.9%)
Loss on disposal of fixed assets	6.2	13.2	7.0	112.3%
Other	18.5	21.7	3.1	17.2%

Analysis of Net Income Decrease



(Billions of Yen)



Balance Sheet



(Billions of yen)	Mar. '15	Mar. '16	Change	%Change
Current assets	1,342.4	984.3	(358.0)	(26.7%)
Tangible fixed assets	1,497.6	1,752.6	254.9	17.0%
Intangible assets	458.7	541.4	82.7	18.0%
Recoverable accounts under production sharing	703.2	727.7	24.4	3.5%
Other	618.7	495.4	(123.3)	(19.9%)
Less allowance for recoverable accounts under production sharing	(121.7)	(131.7)	(10.0)	8.3%
Total assets	4,499.1	4,369.8	(129.3)	(2.9%)
Current liabilities	365.2	319.1	(46.0)	(12.6%)
Long-term liabilities	845.2	871.9	26.6	3.2%
Total net assets	3,288.7	3,178.8	(109.9)	(3.3%)
(Non-controlling interests)	222.0	245.9	23.8	10.8%
Total liabilities and net assets	4,499.1	4,369.8	(129.3)	(2.9%)
Net assets per share (Yen)	2,099.95	2,008.34	(91.61)	(4.4%)

Available fund (Billions of yen)
992.8*

Breakdown

- Cash and deposits : 772.5
- Long-term time deposits : 202.8
- Available investment securities : 17.5

*Amounts to be allocated to the investments based on the investment plan

Summary of financial information for Ichthys downstream JV (100% basis, including the Company's equity share 62.245%)
(Billions of yen)

- Current assets : 46.8
- Fixed assets : 2,604.1
- Total assets: 2,651.0

Accumulated other comprehensive income (Billions of yen) : (121.2)

- Unrealized holding gain on securities : (41.0)
- Unrealized loss from hedging instruments : +29.7
- Translation adjustments: (109.9)

Statement of Cash Flows



(Billions of Yen)	Apr. '14 - Mar. '15	Apr. '15 - Mar. '16	Change	%Change
Income before income taxes	540.0	328.8	(211.1)	(39.1%)
Depreciation and amortization	52.5	86.7	34.2	65.3%
Recovery of recoverable accounts under production sharing (capital expenditures)	75.5	64.1	(11.3)	(15.1%)
Recoverable accounts under production sharing (operating expenditures)	(60.7)	(45.8)	14.9	(24.6%)
Income taxes paid	(478.8)	(393.5)	85.2	(17.8%)
Other	88.2	143.2	55.0	62.3%
Net cash provided by (used in) operating activities	216.7	183.7	(33.0)	(15.2%)
Payments for time deposits/Proceeds from time deposits	372.1	245.9	(126.1)	(33.9%)
Payments for long-term time deposits/Proceeds from long-term time deposits	(112.1)	(439.9)	(327.8)	292.2%
Payments for purchases of tangible fixed assets	(448.3)	(476.7)	(28.4)	6.3%
Payments for purchases of marketable securities/investment securities and proceeds from sales of marketable securities/investment securities	256.6	196.4	(60.2)	(23.5%)
Investment in recoverable accounts under production sharing (capital expenditures)	(70.4)	(60.4)	9.9	(14.2%)
Long-term loans made / Collection of long-term loans receivable	(111.1)	169.0	280.1	-
Payments for purchases of mining rights	(18.4)	(134.5)	(116.0)	-
Other	50.6	(43.1)	(93.8)	-
Net cash provided by (used in) investing activities	(81.0)	(543.5)	(462.4)	-
Net cash provided by (used in) financing activities	(4.1)	156.7	160.9	-
Cash and cash equivalents at end of the period	260.9	53.8	(207.1)	(79.4%)

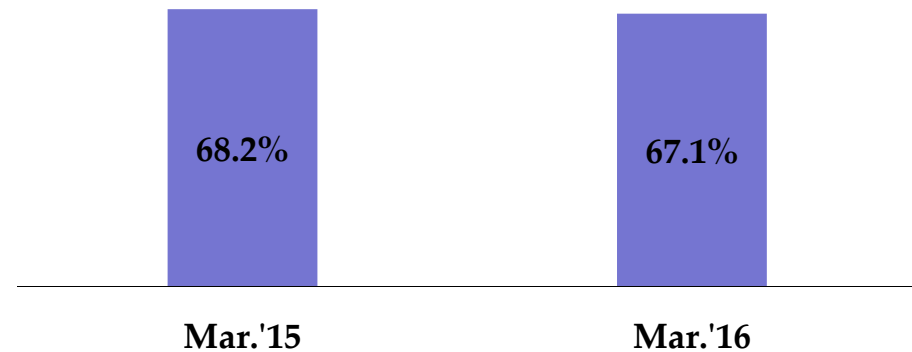
Financial Indices



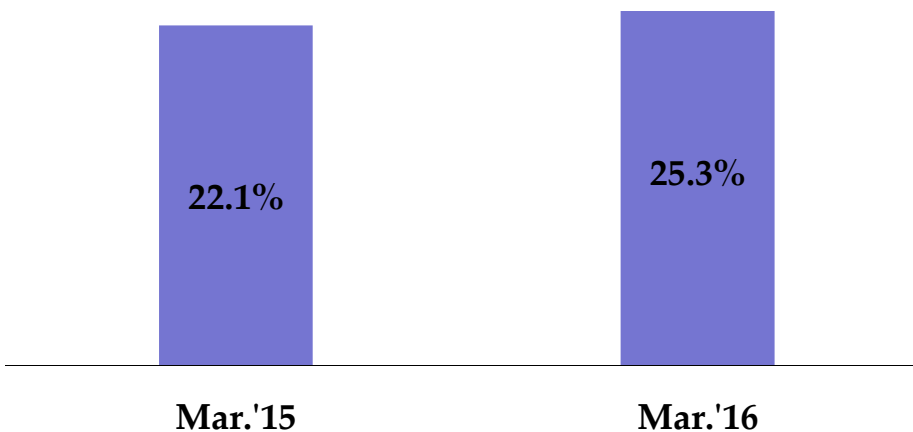
Net Debt/Total Capital Employed (Net)*



Equity Ratio**



D/E Ratio***



* Net Debt/Total Capital Employed (Net) = (Interest-bearing debt - Cash and deposits - Public and corporate bonds and other debt securities (with determinable value) - CP etc. - Long term time deposits)/(Net assets + Interest-bearing debt - Cash and deposits - Public and corporate bonds and other debt securities (with determinable value) - CP etc. - Long term time deposits)

** Equity Ratio = (Net assets - Non-controlling interests)/Total assets

*** D/E Ratio = Interest-bearing debt/ (Net asset - Non-controlling interests)

Consolidated Financial Forecasts
for the year ending March 31, 2017

Masahiro Murayama
Director, Managing Executive Officer
Senior Vice President, Finance & Accounting

Consolidated Financial Forecasts for the year ending March 31, 2017



	1st Half	2nd Half	Full year
Brent oil price (\$/bbl)	45.0	45.0	45.0
Average exchange rate (¥/\$)	110.0	110.0	110.0

Full Year	Mar. '16 (Actual)	Mar. '17 (Forecasts)	Change	% Change
Net Sales (Billions of yen)	1,009.5	808.0	(201.5)	(20.0%)
Operating Income (Billions of yen)	390.1	238.0	(152.1)	(39.0%)
Ordinary Income (Billions of yen)	374.7	237.0	(137.7)	(36.8%)
Net income attributable to owners of parent (billions of yen)	16.7	17.0	0.2	1.3%

1st Half

Net Sales (Billions of yen)	567.0	389.0	(178.0)	(31.4%)
Operating Income (Billions of yen)	246.7	118.0	(128.7)	(52.2%)
Ordinary Income (Billions of yen)	258.8	118.0	(140.8)	(54.4%)
Net income attributable to owners of parent (billions of yen)	45.4	8.0	(37.4)	(82.4%)

Cash dividends per share (yen)	2Q End	9.0	9.0
	FY End	9.0	9.0
	TOTAL	18.0	18.0

Sales and Investment Plan for the year ending March 31, 2017



		Mar. '16 (Actual)	Mar. '17 (Forecasts)	Change	% Change
Sales Volume	Crude oil (thousand bbl) ¹	117,227	123,334	6,107	5.2%
	Natural gas (million cf) ²	337,216	333,192	(4,024)	(1.2%)
	Overseas	271,912	259,907	(12,005)	(4.4%)
	Japan	65,304 (1,750 million m ³)	73,286 (1,964 million m ³)	7,981 (214million m ³)	12.2%
	LPG (thousand bbl) ³	2,361	1,788	(573)	(24.3%)

(Billions of yen)	Mar. '16 (Actual)	Mar. '17 (Forecasts)	Change	% Change
Development expenditure ⁴	880.0	667.0	(213.0)	(24.2%)
Other capital expenditure	51.8	11.0	(40.8)	(78.8%)
Exploration expenditure	39.3	17.0	(22.3)	(56.7%)
<i>Exploration expenses and Provision for explorations⁵</i>	<i>Exploration expenses 6.1 Provision for explorations 25.3</i> 31.5	<i>Exploration expenses 5.1 Provision for explorations 5.5</i> 10.6	(20.9)	(66.3%)
<i>(Non-controlling Interests Portion)⁶</i>	20.3	11.4	(8.9)	(43.8%)

Note

1 CF for domestic crude oil sales and petroleum products : 1kl=6.29bbl

2 CF for domestic natural gas sales : 1m3=37.32cf

3 CF for domestic LPG sales : 1t=10.5bbl

4 Development expenditure includes investment in Ichthys downstream

5 "Provision for allowance for recoverable accounts under production sharing" + "Provision for exploration projects"

6 Capital increase from Non-controlling interests, etc.

Net Income Sensitivities



- Sensitivities of crude oil price and foreign exchange fluctuation on consolidated net income attributable to owners of parent for the year ending March 31, 2017 (Note 1) (Billions of yen)

■ Brent Crude Oil Price; \$1/bbl increase (decrease) (Note 2)	+2.9 (-2.9)
■ Exchange Rate; ¥1 depreciation (appreciation) against the U.S. dollar (Note 3)	+1.3 (-1.3)

(Note1) The sensitivities represent the impact on net income for the year ending March 31, 2017 against a \$1 /bbl increase (decrease) of Brent crude oil price on annual average and a ¥ 1 depreciation (appreciation) against the U.S. dollar. These are based on the financial situation at the beginning of the fiscal year. These are for reference purposes only and the actual impact may be subject to change 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 by fluctuation of the yen against the U.S. dollar and is subject to the average exchange rate in the fiscal year. On the other hand, a sensitivity related to valuation for assets and liabilities denominated in the U.S. dollar on net income incurred by foreign exchange differences between the exchange rate at the end of the fiscal year and the end of the previous fiscal year is almost neutralized.