Consolidated Financial Results for the Six Months ended June 30, 2024 [IFRS]

August 8, 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 : September 2, 2024
Preparation of supplementary explanatory materials : Yes
Meeting of financial results presentation : Yes (for institutional investors and securities analysts)

(Amounts less than one million yen are rounded off)

1. Consolidated Financial Results for the Six Months ended June 30, 2024 (January 1, 2024 through June 30, 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	
For the six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2024	1,190,861	10.4	700,071	15.3	713,216	0.5	210,953	(17.3)
June 30, 2023	1,078,994	–	607,248	–	709,505	–	255,027	–

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
For the six months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
June 30, 2024	212,586	(14.5)	821,959	29.0	169.26	169.14
June 30, 2023	248,493	–	637,194	–	190.27	190.14

(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 June 30, 2024	7,765,620	5,243,668	4,927,105	63.4
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	–	43.00			
For the year ending December 31, 2024 (Forecasts)			–	43.00	86.00

(Notes): 1. Changes in projected dividends for the year ending December 31, 2024 from the previous forecast: Yes
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. For information regarding revision of dividend forecast, please refer to the press release "Notice Concerning Interim Dividend and Revision to Year-end Dividend Forecast" issued today (August 8, 2024).

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 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 year ending December 31, 2024	2,254,000	4.1	1,249,000	12.1	1,282,000	2.3	360,000	11.9	290.25

(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 and changes in accounting estimates
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 (including treasury stock): 1,259,136,067 shares as of June 30, 2024
1,386,667,167 shares as of December 31, 2023
2. Number of treasury stock at the end of the period: 11,345,833 shares as of June 30, 2024
128,422,706 shares as of December 31, 2023
3. Average number of shares: 1,255,990,910 shares for the six months ended June 30, 2024
1,306,002,898 shares for the six months ended June 30, 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 June 30, 2024: 827,850 shares As of December 31, 2023: 891,560 shares)

*This semi-annual 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	–	17,200.00			
For the year ending December 31, 2024 (Forecasts)			–	17,200.00	34,400.00

(Notes): 1. 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.

2. For information regarding revision of dividend forecast, please refer to the press release “Notice Concerning Interim Dividend and Revision to Year-end Dividend Forecast” issued today (August 8, 2024).

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1. Qualitative Information/Financial Statements

(1) Explanation on Consolidated Financial Results

Regarding the Company's consolidated financial results for the six months ended June 30, 2024, revenue increased by ¥111.8 billion, or 10.4%, to ¥1,190.8 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 ¥125.6 billion, or 16.4%, to ¥892.1 billion, and revenue of natural gas (excluding LPG) decreased by ¥15.1 billion, or 5.1%, to ¥281.3 billion. Sales volume of crude oil increased by 934 thousand barrels, or 1.3%, to 70,635 thousand barrels, and sales volume of natural gas increased by 9,319 million cf, or 3.7%, to 258,874 million cf. Sales volume of overseas natural gas increased by 8,353 million cf, or 4.2%, to 209,398 million cf, and sales volume of domestic natural gas increased by 26 million m^3, or 2.0%, to 1,321 million m^3 (49,295 million cf). The average sales price of overseas crude oil increased by U.S.$1.48, or 1.8%, to U.S.$82.92 per barrel. The average sales price of overseas natural gas decreased by U.S.$0.41, or 6.8%, to U.S.$5.61 per thousand cf, and the average sales price of domestic natural gas decreased by ¥25.44, or 24.9%, to ¥76.74 per m^3. The average exchange rate of the Japanese yen against the U.S. dollar on consolidated revenue depreciated by ¥17.41, or 12.9%, to ¥152.39 per U.S. dollar.
The increase of ¥111.8 billion in revenue was mainly derived from the following factors: regarding revenue of crude oil and natural gas, an increase in sales volume contributing ¥20.2 billion to the increase, a decrease in unit sales price contributing ¥33.5 billion to the decrease, the depreciation in the average exchange rate of the Japanese yen against the U.S. dollar contributing ¥123.7 billion to the increase, and an increase in revenue excluding crude oil and natural gas of ¥1.3 billion.
Meanwhile, cost of sales increased by ¥47.8 billion, or 11.2%, to ¥473.1 billion. Exploration expenses increased by ¥45.4 billion to ¥49.4 billion. Selling, general and administrative expenses increased by ¥9.5 billion, or 19.0%, to ¥59.8 billion. Other operating income increased by ¥5.6 billion, or 39.5%, to ¥19.7 billion. Other operating expenses decreased by ¥6.2 billion, or 51.4%, to ¥5.9 billion. Share of profit of investments accounted for using equity method increased by ¥71.9 billion to ¥77.7 billion. As a result, operating profit increased by ¥92.8 billion, or 15.3%, to ¥700.0 billion.
Finance income decreased by ¥58.6 billion, or 41.5%, to ¥82.8 billion. Finance costs increased by ¥30.4 billion, or 77.5%, to ¥69.6 billion. As a result, profit before tax increased by ¥3.7 billion, or 0.5%, to ¥713.2 billion.
Income tax expense increased by ¥47.7 billion, or 10.5%, to ¥502.2 billion. Loss attributable to non-controlling interests was ¥1.6 billion compared with ¥6.5 billion of profit attributable to non-controlling interests for the corresponding period of the previous fiscal year. As a result of the above effects, profit attributable to owners of parent decreased by ¥35.9 billion, or 14.5%, to ¥212.5 billion.

Operating results by segment are as follows:

1) Oil & Gas Japan
Revenue decreased by ¥31.3 billion, or 22.7%, to ¥107.1 billion due to a decrease in sales price of natural gas. Profit attributable to owners of parent decreased by ¥18.9 billion, or 66.9%, to ¥9.3 billion.

2) Oil & Gas Overseas - Ichthys Project
Although revenue increased by ¥29.1 billion, or 15.8%, to ¥213.0 billion due to the depreciation of the Japanese yen against the U.S. dollar and an increase in sales volume, profit attributable to owners of parent decreased by ¥3.5 billion, or 2.3%, to ¥150.0 billion due to factors including an increase in exploration expenses.

3) Oil & Gas Overseas - Other Projects
Although revenue increased by ¥110.9 billion, or 14.9%, to ¥853.4 billion due to the depreciation of the Japanese yen against the U.S. dollar and an increase in sales volume, profit attributable to owners of parent decreased by ¥8.5 billion, or 14.1%, to ¥52.0 billion due to factors including an increase in income tax expense.

(2) Explanation on Consolidated Financial Position

Total assets as of June 30, 2024 increased by ¥1,026.1 billion to ¥7,765.6 billion, compared to December 31, 2023. Current assets increased by ¥281.4 billion to ¥1,119.9 billion due to an increase in other financial assets, and others. Non-current assets increased by ¥744.6 billion to ¥6,645.7 billion due to an increase in oil and gas assets, and others.

Meanwhile, total liabilities increased by ¥281.5 billion to ¥2,521.9 billion. Current liabilities increased by ¥205.8 billion to ¥778.0 billion and non-current liabilities increased by ¥75.6 billion to ¥1,743.9 billion.

Total equity increased by ¥744.6 billion to ¥5,243.6 billion. Equity attributable to owners of parent increased by ¥718.0 billion to ¥4,927.1 billion. Non-controlling interests increased by ¥26.6 billion to ¥316.5 billion.

(3) Explanation on Cash Flows

The Group's cash and cash equivalents as of June 30, 2024 totaled ¥233.1 billion, reflecting a net increase of ¥7.7 billion from ¥201.1 billion as of December 31, 2023, with the effect of exchange rate changes of ¥24.2 billion added to it.

The status of cash flows from operating, investing, and financing activities and their factors during the six months ended June 30, 2024 are as follows:

1) Cash flows from operating activities

Net cash provided by operating activities amounted to ¥368.9 billion, down ¥74.1 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 a decrease in finance income, which is a non-cash item, and an increase in trade and other payables).

2) Cash flows from investing activities

Net cash used in investing activities amounted to ¥318.1 billion, down ¥52.4 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 used in financing activities amounted to ¥43.0 billion, down ¥88.4 billion from the corresponding period of the previous fiscal year, mainly due to a decrease in repayments of long-term borrowings and a net increase in commercial papers.

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

The Company revised its consolidated financial forecasts other than profit attributable to owners of parent for the fiscal year ending December 31, 2024 due to factors including generally steady progress in production in the Ichthys Project and other key projects made during the six months ended June 30, 2024, as shown below. The revised forecasts also reflect the revision of a forecast of sales volume, and crude oil price and exchange rate assumptions for the third quarter onwards.

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	2,178,000	1,210,000	1,241,000	360,000
Revised Forecasts: B	2,254,000	1,249,000	1,282,000	360,000
Increase (Decrease): B-A	76,000	39,000	41,000	–
Percentage change (%)	3.5	3.2	3.3	–

The above forecasts are calculated based on the following assumptions:

	Previous Forecasts		Revised Forecasts	
Crude oil price (Brent)	First Half average:	U.S.$82.5/bbl	First Half average (actual):	U.S.$83.4/bbl
	Second Half average:	U.S.$77.5/bbl	Second Half average:	U.S.$76.6/bbl
	- 3rd quarter average:	U.S.$78.7/bbl	- 3rd quarter average:	U.S.$79.0/bbl
	- 4th quarter average:	U.S.$76.2/bbl	- 4th quarter average:	U.S.$74.2/bbl
	Full Year average:	U.S.$80.0/bbl	Full Year average:	U.S.$80.0/bbl
Exchange rate	First Half average:	¥148.0/U.S.$	First Half average (actual):	¥152.4/U.S.$
	Second Half average:	¥142.0/U.S.$	Second Half average:	¥143.6/U.S.$
	Full Year average:	¥145.0/U.S.$	Full Year average:	¥148.0/U.S.$

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 Semi-annual Consolidated Financial Statements and Principal Notes

(1) Condensed Semi-annual Consolidated Statement of Financial Position

(Millions of yen)

Accounts	As of December 31, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and cash equivalents	201,149	233,158
Trade and other receivables	232,017	305,625
Inventories	69,856	82,464
Income taxes receivable	10,640	1,475
Loans receivable	42,350	53,855
Other financial assets	227,068	382,005
Other current assets	37,992	43,974
Subtotal	821,075	1,102,559
Assets held for sale	17,341	17,341
Total current assets	838,417	1,119,900
Non-current assets		
Oil and gas assets	3,601,558	3,988,630
Other property, plant and equipment	25,481	25,880
Goodwill	20,471	22,221
Intangible assets	9,033	8,705
Investments accounted for using equity method	751,903	947,262
Loans receivable	1,306,529	1,448,265
Other financial assets	95,890	118,086
Asset for retirement benefits	896	1,330
Deferred tax assets	72,977	67,070
Other non-current assets	16,316	18,266
Total non-current assets	5,901,058	6,645,719
Total assets	6,739,476	7,765,620

(Millions of yen)

Accounts	As of December 31, 2023	As of June 30, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	207,913	246,432
Bonds and borrowings	161,059	275,898
Other financial liabilities	40,808	56,597
Income taxes payable	131,721	169,255
Asset retirement obligations	19,018	18,510
Other current liabilities	11,690	11,346
Total current liabilities	572,212	778,042
Non-current liabilities		
Bonds and borrowings	895,923	937,870
Other financial liabilities	66,025	64,473
Liability for retirement benefits	803	839
Asset retirement obligations	369,483	395,690
Deferred tax liabilities	332,940	341,297
Other non-current liabilities	3,054	3,737
Total non-current liabilities	1,668,230	1,743,909
Total liabilities	2,240,442	2,521,951
Equity		
Common stock	290,809	290,809
Capital surplus	679,131	459,574
Retained earnings	2,746,530	2,912,528
Treasury stock	(221,330)	(26,235)
Other components of equity	713,959	1,290,427
Total equity attributable to owners of parent	4,209,101	4,927,105
Non-controlling interests	289,932	316,563
Total equity	4,499,033	5,243,668
Total liabilities and equity	6,739,476	7,765,620

(2) Condensed Semi-annual Consolidated Statement of Profit or Loss and Condensed Semi-annual Consolidated Statement of Comprehensive Income

Condensed Semi-annual Consolidated Statement of Profit or Loss

(Millions of yen)

Accounts	For the six months ended June 30, 2023	For the six months ended June 30, 2024
Revenue	1,078,994	1,190,861
Cost of sales	(425,373)	(473,178)
Gross profit	653,621	717,682
Exploration expenses	(3,994)	(49,464)
Selling, general and administrative expenses	(50,257)	(59,806)
Other operating income	14,188	19,790
Other operating expenses	(12,156)	(5,908)
Share of profit (loss) of investments accounted for using equity method	5,848	77,776
Operating profit	607,248	700,071
Finance income	141,496	82,803
Finance costs	(39,239)	(69,657)
Profit before tax	709,505	713,216
Income tax expense	(454,478)	(502,263)
Profit	255,027	210,953
Profit attributable to		
Owners of parent	248,493	212,586
Non-controlling interests	6,533	(1,632)
Profit	255,027	210,953
Earnings per share		
Basic earnings per share (Yen)	190.27	169.26
Diluted earnings per share (Yen)	190.14	169.14

Condensed Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

Accounts	For the six months ended June 30, 2023	For the six months ended June 30, 2024
Profit	255,027	210,953
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	2,032	(2,350)
Total items that will not be reclassified to profit or loss	2,032	(2,350)
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges	(1,115)	(1,083)
Exchange differences on translation of foreign operation	377,552	615,174
Financial assets measured at fair value through other comprehensive income	(504)	(179)
Share of other comprehensive income of investments accounted for using equity method	4,201	(555)
Total items that may be reclassified subsequently to profit or loss	380,134	613,356
Other comprehensive income, net of tax	382,167	611,006
Comprehensive income	637,194	821,959
Comprehensive income attributable to		
Owners of parent	612,818	789,054
Non-controlling interests	24,375	32,904
Comprehensive income	637,194	821,959

(3) Condensed Semi-annual Consolidated Statement of Changes in Equity

For the six months ended June 30, 2023

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Common stock	Capital surplus	Retained earnings	Treasury stock	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	–	–	248,493	–	–	–
Other comprehensive income	–	–	–	–	359,710	3,086
Total comprehensive income	–	–	248,493	–	359,710	3,086
Disposal of treasury stock	–	(27)	–	27	–	–
Dividends	–	–	(41,820)	–	–	–
Changes in ownership interest in subsidiaries	–	(120)	–	–	–	–
Share-based payment transactions	–	94	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	(3,262)	–	–	–
Total transactions with owners	–	(53)	(45,083)	27	–	–
As of June 30, 2023	290,809	679,059	2,725,409	(121,330)	783,215	35,507

	Equity attributable to owners of parent				
	Other components of equity				
	Financial assets measured at fair value through other comprehensive income	Total	Total	Non-controlling interests	Total
As of January 1, 2023	(19,107)	436,818	3,807,381	261,178	4,068,560
Profit	–	–	248,493	6,533	255,027
Other comprehensive income	1,528	364,324	364,324	17,842	382,167
Total comprehensive income	1,528	364,324	612,818	24,375	637,194
Disposal of treasury stock	–	–	–	–	–
Dividends	–	–	(41,820)	(4,667)	(46,488)
Changes in ownership interest in subsidiaries	–	–	(120)	7,829	7,709
Share-based payment transactions	–	–	94	–	94
Transfer from other components of equity to retained earnings	3,262	3,262	–	–	–
Total transactions with owners	3,262	3,262	(41,847)	3,162	(38,684)
As of June 30, 2023	(14,316)	804,405	4,378,353	288,716	4,667,069

For the six months ended June 30, 2024

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Common stock	Capital surplus	Retained earnings	Treasury stock	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	–	–	212,586	–	–	–
Other comprehensive income	–	–	–	–	580,636	(1,638)
Total comprehensive income	–	–	212,586	–	580,636	(1,638)
Purchase of treasury stock	–	–	–	(24,999)	–	–
Disposal of treasury stock	–	(95)	–	95	–	–
Cancellation of treasury stock	–	(219,999)	–	219,999	–	–
Dividends	–	–	(46,588)	–	–	–
Changes in ownership interest in subsidiaries	–	437	–	–	–	–
Share-based payment transactions	–	99	–	–	–	–
Total transactions with owners	–	(219,557)	(46,588)	195,094	–	–
As of June 30, 2024	290,809	459,574	2,912,528	(26,235)	1,275,632	28,586

	Equity attributable to owners of parent			Non-controlling interests	Total
	Other components of equity		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	–	–	212,586	(1,632)	210,953
Other comprehensive income	(2,529)	576,468	576,468	34,537	611,006
Total comprehensive income	(2,529)	576,468	789,054	32,904	821,959
Purchase of treasury stock	–	–	(24,999)	–	(24,999)
Disposal of treasury stock	–	–	–	–	–
Cancellation of treasury stock	–	–	–	–	–
Dividends	–	–	(46,588)	(10,017)	(56,605)
Changes in ownership interest in subsidiaries	–	–	437	3,743	4,181
Share-based payment transactions	–	–	99	–	99
Total transactions with owners	–	–	(71,050)	(6,273)	(77,323)
As of June 30, 2024	(13,791)	1,290,427	4,927,105	316,563	5,243,668

(4) Condensed Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

Accounts	For the six months ended June 30, 2023	For the six months ended June 30, 2024
Cash flows from operating activities		
Profit before tax	709,505	713,216
Depreciation and amortization	158,924	188,590
Increase (decrease) in asset retirement obligations	1,283	(2,828)
Finance income and finance costs (income)	(102,256)	(13,145)
Foreign exchange loss (gain)	4,924	(1,609)
Share of loss (profit) of investments accounted for using equity method	(5,848)	(77,776)
Decrease (increase) in inventories	584	(7,049)
Decrease (increase) in trade and other receivables	66,177	(43,220)
Increase (decrease) in trade and other payables	(14,617)	18,800
Other operating activities	(1,557)	32,479
Subtotal	817,118	807,456
Interest received	50,084	60,772
Dividends received	6,248	18,837
Interest paid	(30,206)	(30,796)
Income taxes paid	(400,125)	(487,276)
Net cash provided by (used in) operating activities	443,119	368,994
Cash flows from investing activities		
Payments into time deposits	(2,792)	(174,705)
Proceeds from withdrawal of time deposits	5,501	34,351
Payments for acquisition of exploration and evaluation assets	(8,233)	(34,154)
Payments for acquisition of development and production assets	(97,832)	(117,956)
Payments for purchases of other property, plant and equipment	(1,099)	(2,188)
Payments for purchases of investments	(326,239)	(79,997)
Proceeds from sale and redemption of investments	34,458	79,541
Payments for purchases of investments accounted for using equity method	(46,553)	(19,016)
Payments for acquisition of businesses	–	(40,907)
Net decrease (increase) in short-term loans receivable	(6,582)	1,718
Long-term loans made	(1,214)	(34,299)
Collection of long-term loans receivable	86,205	60,413
Other investing activities	(6,210)	9,045
Net cash provided by (used in) investing activities	(370,593)	(318,156)

(Millions of yen)

Accounts	For the six months ended June 30, 2023	For the six months ended June 30, 2024
Cash flows from financing activities		
Net increase (decrease) in commercial papers	88,000	170,000
Net increase (decrease) in short-term borrowings	20,121	(23,230)
Proceeds from long-term borrowings	102,872	75
Repayments of long-term borrowings	(285,736)	(100,845)
Repayments of lease liabilities	(9,601)	(11,731)
Purchase of treasury stock	–	(24,999)
Cash dividends paid	(41,804)	(46,565)
Capital contribution from non-controlling interests	7,709	4,223
Cash dividends paid to non-controlling interests	(4,667)	(10,017)
Other financing activities	(8,455)	(0)
Net cash provided by (used in) financing activities	(131,562)	(43,091)
Net increase (decrease) in cash and cash equivalents	(59,036)	7,747
Cash and cash equivalents at beginning of the year	208,238	201,149
Effect of exchange rate changes on cash and cash equivalents	6,066	24,261
Cash and cash equivalents at end of the period	155,267	233,158

(5) Notes to Condensed Semi-annual 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 semi-annual consolidated statement of profit or loss. Intersegment transactions follow pricing based on arm's-length principles.

The revenue and financial results for the Group's reportable segments are as follows:

For the six months ended June 30, 2023 (January 1, 2023 through June 30, 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	138,553	183,930	742,509	14,001	1,078,994	–	1,078,994
Intersegment revenue	3,234	9,280	–	4,146	16,661	(16,661)	–
Total	141,787	193,210	742,509	18,148	1,095,655	(16,661)	1,078,994
Segment profit (loss)	28,313	153,578	60,539	10,491	252,922	(4,428)	248,493

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 six months ended June 30, 2024 (January 1, 2024 through June 30, 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	107,161	213,068	853,436	17,195	1,190,861	–	1,190,861
Intersegment revenue	3,536	14,495	–	4,280	22,313	(22,313)	–
Total	110,698	227,564	853,436	21,476	1,213,174	(22,313)	1,190,861
Segment profit (loss)	9,362	150,012	52,015	1,224	212,614	(28)	212,586

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.

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 six months ended June 30, 2023	For the six months ended June 30, 2024
Oil & Gas Japan		Crude oil	0.5 MMbbls (2.6 Mbbls per day)	0.4 MMbbls (2.3 Mbbls per day)
		Natural gas	17.6 Bcf (97.1 MMcf per day)	15.5 Bcf (84.9 MMcf per day)
		Subtotal	3.7 MMboe (20.3 Mboe per day)	3.2 MMboe (17.8 Mboe per day)
		Iodine	281.3t	278.9t
		Electric power generation	103.0 million kWh	93.9 million kWh
Oil & Gas Overseas	Ichthys Project	Crude oil	6.4 MMbbls (35.1 Mbbls per day)	6.7 MMbbls (36.6 Mbbls per day)
		Natural gas	178.7 Bcf (987.3 MMcf per day)	197.0 Bcf (1,082.6 MMcf per day)
		Subtotal	40.8 MMboe (225.2 Mboe per day)	44.5 MMboe (244.7 Mboe per day)
	Other Projects	Crude oil	63.5 MMbbls (350.6 Mbbls per day)	63.5 MMbbls (348.8 Mbbls per day)
		Natural gas	50.6 Bcf (279.7 MMcf per day)	50.2 Bcf (275.9 MMcf per day)
		Subtotal	72.7 MMboe (401.7 Mboe per day)	72.7 MMboe (399.7 Mboe per day)
		Sulfur	64.5 Mtons	80.3 Mtons
Other		Electric power generation	723.9 million kWh	1,113.2 million kWh
Total		Crude oil	70.3 MMbbls (388.4 Mbbls per day)	70.6 MMbbls (387.7 Mbbls per day)
		Natural gas	246.9 Bcf (1,364.1 MMcf per day)	262.7 Bcf (1,443.5 MMcf per day)
		Subtotal	117.1 MMboe (647.2 Mboe per day)	120.5 MMboe (662.1 Mboe per day)
		Iodine	281.3t	278.9t
		Sulfur	64.5 Mtons	80.3 Mtons
		Electric power generation	826.8 million kWh	1,207.2 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 74.0 MMbbls (408.7 Mbbls per day) of crude oil, 251.5 Bcf (1,389.8 MMcf per day) of natural gas, and in total 121.9 MMboe (673.2 Mboe per day) for the six months ended June 30, 2023, and 74.2 MMbbls (407.6 Mbbls per day) of crude oil, 265.8 Bcf (1,460.3 MMcf per day) of natural gas, and in total 125.0 MMboe (686.6 Mboe per day) for the six months ended June 30, 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 six months ended June 30, 2023		For the six months ended June 30, 2024	
			Sales volume	Revenue	Sales volume	Revenue
Oil & Gas Japan		Crude oil	239 Mbbls	2,529	183 Mbbls	2,238
		Natural gas (excluding LPG)	48,338 MMcf	132,348	49,295 MMcf	101,363
		Other		3,675		3,559
		Subtotal		138,553		107,161
Oil & Gas Overseas	Ichthys Project	Crude oil	6,237 Mbbls	69,281	7,125 Mbbls	90,586
		Natural gas (excluding LPG)	165,355 MMcf	114,648	170,428 MMcf	122,481
		Subtotal		183,930		213,068
	Other Projects	Crude oil	63,226 Mbbls	691,041	63,326 Mbbls	793,553
		Natural gas (excluding LPG)	35,690 MMcf	48,541	38,970 MMcf	56,561
		Other		2,926		3,320
		Subtotal		742,509		853,436
Other		Crude oil	–	3,652	–	5,814
		Natural gas (excluding LPG)	172 MMcf	964	181 MMcf	911
		Other		9,385		10,470
		Subtotal		14,001		17,195
Total		Crude oil	69,701 Mbbls	766,504	70,635 Mbbls	892,193
		Natural gas (excluding LPG)	249,555 MMcf	296,502	258,874 MMcf	281,317
		Other		15,987		17,350
		Total		1,078,994		1,190,861